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90 JOHN ST., NEW YORK 38

THURSDAY, FEBRUARY 28, 1952

# NOTICE TO COMPANIES AND BROKERS

## EXCESS LINES REINSURANCE AVIATION MARINE HIGH RATED RISKS

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Company Reports Show Results  
Accruing from 1951 OperationsSurplus in the following company reports  
refers to surplus to policyholders.

Premiums Earned Losses Incurred

Allied Mut. Cas., In.—Assets, \$1,773,419. Un-

earned prem., \$758,631. Loss res., \$2,543,421. Sur-

plus, \$202,103.

Fire, theft &amp; comp. 446,773 212,838

Workmen's comp. 402,630 113,920

Liability (not auto) 1,209,688 770,508

Auto prop. damage 992,612 721,009

Auto phys. damage 1,904,170 888,157

Prop. dam. (not auto) 34,756 8,124

Glass 16,760 8,775

Burglary &amp; theft 33,296 13,761

Auto Medical 190,759 110,269

Totals 5,231,444 2,848,362

American Fidelity—Assets, \$4,273,357. Incr.,

\$124,148. Loss res., \$1,143,463. Unearned

prem., \$1,133,773. Capital, \$1,000,000. Sur-

plus, \$1,477,285. Dec., \$27,309.

Fire 606 787

Accident 32 36

Health 388,609 167,137

Workmen's comp. 254,928 130,174

Liability (not auto) 1,035,931 635,952

Auto liability 493,725 349,827

Auto prop. damage 18,032 8,036

Auto phys. damage 44,702 15,473

Prop. dam. (not auto) 34,473 5,946

Fidelity 48,290 48,828

Surety 32,422 17,912

Glass 58,838 15,622

Burglary &amp; theft 2,450,589 1,395,730

Totals 2,450,589 1,395,730

American Union—Assets, \$8,706,034. Incr.,

\$1,316,684. Loss res., \$591,144. Unearned

prem., \$1,510,214. Capital, \$1,500,000. Sur-

plus, \$4,251,930. Dec., \$218,134.

Fire 1,867,126 905,365

Ext. coverage 373,653 152,224

Torn. wind., hail 12,415 2,071

Sprinkler &amp; water dam. 6,663 2,017

Expl. riot, civil comm. 2,683 —49

Earthquake 7,913 —10

Inland marine 124,730 84,207

Auto phys. damage 574,527 318,556

Prop. dam. (not auto) 0 0

Totals 2,969,800 1,464,683

Associated F. &amp; M.—Assets, \$296,091. Incr.,

\$149, Capital, \$250,000. Surplus, \$295,866,

Incr., \$4,893.

Atlantic Fire—Assets, \$1,124,483. Incr., \$54,-

771. Capital, \$250,000. Surplus, \$730,624,

Incr., \$42,342.

Atlantic Ma. Fire—Assets, \$3,947,814. Incr.,

\$403,550. Loss res., \$77,708. Unearned prem.,

\$1,812,454. Guaranty Fund, \$500,000. Surplus,

\$1,345,215. Incr., \$165,572.

Fire 1,258,061 371,969

Ext. coverage 294,023 56,208

Sprinkler &amp; water dam. 218 234

Inland marine 505 2

Auto phys. damage 117,567 39,590

Glass 27,877 12,345

Totals 1,698,254 480,349

Auto Club, So. Cal.—Assets, \$23,636,637.

Incr., \$1,544,910. Loss res., \$1,375,622. Un-

earned prem., \$6,921,606. Surplus, \$14,099,-

69. Incr., \$922,878.

Auto prop. damage 3,529,856 1,478,632

Auto phys. damage 9,385,915 4,174,417

Totals 12,915,771 5,653,049

Berkshire Mut. Fire—Assets, \$3,583,731.

Incr., \$276,817. Loss res., \$200,700. Unearned

prem., \$2,252,948. Surplus, \$1,023,608, decr.,

\$11,443.

Fire 1,109,510 362,556

Ext. coverage 135,549 51,229

Torn. wind., hail 1,483 2,407

Sprinkler &amp; water dam. 5,493 4,199

Expl. riot, civil comm. 77 —

Earthquake 256 —

Inland marine 65,249 36,059

Aircraft phys. damage 13 —

Auto phys. damage 758,209 354,829

Comp. Dwg. End. 37 —

Totals 2,075,567 806,458

Buckeye Union Cas.—Assets, \$14,805,433.

Incr., \$1,949,719. Loss res., \$3,597,217. Un-

earned prem., \$6,185,443. Capital, \$1,000,000.

Surplus, \$3,779,704. Incr., \$468,580.

Accident 424,519 237,135

Liability (not auto) 785,566 348,459

Auto liability 2,758,911 1,380,822

Auto prop. damage 2,894,446 1,414,418

Auto phys. damage 2,800,927 1,250,470

Prop. dam. (not auto) 272,245 142,142

Fidelity 40,398 12,927

Surety 96,463 38,027

Glass 143,971 63,448

Burglary &amp; theft 298,755 90,173

Comprehensive 1,066,688 327,925

Totals 11,085,475 5,307,958

Buckeye Union Fire—Assets, \$4,369,212.

Incr., \$669,306. Loss res., \$211,527. Unearned

prem., \$2,703,320. Capital, \$500,000. Surplus,

\$1,554,634. Incr., \$53,497.

Fire 988,596 453,300

Ext. coverage 380,523 138,300

Torn. wind., hail 1,638 478

Sprinkler &amp; water dam. 336 13

Expl. riot, civil comm. 218 —

Earthquake 181 —

Inland marine 207,446 62,236

Premiums Earned Losses Incurred

Hschldra. Ltd. Theft..... 138

Auto phys. damage..... 487,036

Totals 2,066,118 870,063

Cal. Cas. Exch.—Assets, \$8,854,905. Incr.,

\$955,354. Loss res., \$2,501,864. Unearned

prem., \$955,584. Surplus, \$2,078,443, decr.,

\$91,929.

Fire, Theft &amp; Comp. 181,110 73,069

Workmen's comp. 3,797,001 2,768,071

Liability (not auto) 62,499 9,404

Auto liability 547,391 294,459

Auto prop. damage 300,535 149,143

Auto phys. damage 366,804 143,088

Prop. dam. (not auto) 17,056 355

Totals 5,272,396 3,437,589

Cambridge Mut. Fire—Assets, \$3,414,477.

Incr., \$536,321. Loss res., \$95,467. Unearned

prem., \$1,820,622. Surplus, \$1,404,850, Incr.,

\$197,836.

Fire 891,922 312,610

Ext. coverage 195,872 67,545

Torn. wind., hail 225 —274

Sprinkler &amp; water dam. 2,199 —59

Expl. riot, civil comm. 68 —

Earthquake 302 —

Inland marine 4,643 621

Auto phys. damage 428,580 172,713

Totals 1,523,811 563,156

Capitol Indemnity—Assets, \$1,763,645. Incr.,

\$284,957. Loss res., \$407,474. Unearned prem.,

\$609,076. Capital, \$312,299. Surplus, \$490,447,

decr., \$32,206.

Liability (not auto) 18,375 7,472

Auto liability 311,482 171,869

Auto prop. damage 271,534 180,808

Auto phys. damage 528,950 238,048

Prop. dam. (not auto) 2,274 819

Fidelity 42,359 735

Surety 70,132 14,872

Totals 1,245,157 614,624

Carolina Cas.—Assets, \$1,774,265. Incr., \$51,-

565. Loss res., \$380,424. Unearned prem.,

\$449,792. Capital, \$350,000. Surplus, \$662,-

826, Incr., \$8,415.

Accident 333,276 131,565

Group A. &amp; H. 40,985 32,173

Workmen's comp. 36,130 29,722

Liability (not auto) 23,559 12,204

Auto liability 325,144 442,004

Auto prop. damage 359,303 231,152

Auto phys. damage 195,245 124,022

Prop. dam. (not auto) 3,590 1,959

Glass 6,992 1,943

Burglary &amp; theft 6,733 6,285

Totals 1,843,962 1,013,034

Cavalier, Md.—Assets, \$780,258. Incr., \$280,-

055. Loss res., \$1,000. Unearned prem., \$2,780.

Capital, \$400,000. Surplus, \$775,923, Incr.,

\$279,865.

Auto phys. damage 1,323 246

Celina Mut. Cas.—Assets, \$5,093,639. Incr.,

\$438,666. Loss res., \$1,060,700. Unearned prem.,

\$1,747,509. Surplus, \$1,829,954, Incr., \$216,234.

Accident 5,742 —

Medical 157,082 11,767

Hospital 11,267 6,383

Liability (not auto) 69,359 16,677

Auto liability 987,160 436,253

Auto prop. damage 925,385 487,480

Auto phys. damage 1,459,555 634,515

Prop. dam. (not auto) 14,865 8,029

Glass 37,104 18,704

Burglary &amp; theft 26,158 9,513

Excess of Loss Reins. —6,076 —3,752

Totals 5,687,592 1,695,569

Central Mutual, O.—Assets, \$29,776,000.

Incr., \$4,780,756. Loss res., \$1,646,194. Un-

earned prem., \$16,600,710. Surplus, \$9,009,851,

Incr., \$1,073,809.

Fire 7,043,961 2,573,392

Ext. coverage 1,729,245 370,356

Torn. wind., hail 5,849 —68

Sprinkler &amp; water dam. 29,435 —703

Expl. riot, civil comm. 11,816 —

Earthquake 21,937 —2

Ocean marine 155,984 169,018

Inland marine 936,521 397,030

Aircraft phys. damage 2,575 2,073

Auto phys. damage 3,237,704 1,174,290

Glass 14,078 741

Burglary &amp; theft 2,056 135,080

Excess of Loss Reins. —184,903 —

Totals 13,007,263 4,816,973

Central Mut. Cas.—Assets, \$1,597,822. Incr.,

\$178,468. Loss res., \$321,944. Unearned prem.,

\$675,136. Surplus, \$429,181, Incr., \$14,911.

Liability (not auto) 8,039 895

Auto liability 370,584 136,460

Auto prop. damage 192,620 133,305

Auto phys. damage 634,110 226,705

Prop. dam. (not auto) 1,206 127

Glass 29,698 18,645

Burglary &amp; theft 4,184 894

Totals 1,240,441 617,031

Chester County Mut., Pa.—Assets, \$1,700,-

830. Incr., \$136,844. Loss res., \$50,416. Un-

earned prem., \$748,059. Surplus, \$857,570,

Incr., \$13,544.

Fire 497,795 164,900

Ext. coverage 57,970 31,105

Torn. wind., hail 9,164 8,660

Sprinkler &amp; water dam. 385 15

Totals 565,314 204,680

Chicago Motor Club—Assets, \$12,923,571.

Incr., \$517,765. Loss res., \$3,728,292. Un-

earned prem., \$1,820,622. Surplus, \$1,404,850, Incr.,

\$197,836.

Fire 891,922 312,610

Ext. coverage 195,872 67,545

Torn. wind., hail 225 —274

Sprinkler &amp; water dam. 2,199 —59

Expl. riot, civil comm. 68 —

Earthquake 302 —

Inland marine 4,643 621

Auto phys. damage 428,580 172,713

Totals 1,523,811 563,156

Jan. Fire Losses  
Top \$74 Million

Estimated fire losses in the United States during January were \$74,155,000, according to National Board.

This is an increase of 8.7% over losses of \$68,206,000 reported for December, 1951, and an increase of 7.9% over losses of \$68,686,000 for January, 1951.

Labor Takes Over  
Third Tex. Insurer

DALLAS—Organized labor added a third insurance company to its group when local unions and individual members of the American Federation of Labor purchased 73% of the outstanding stock of Continental Fire &amp; Casualty of Dallas, according to an announcement by Ben Jack Cage, president of the group. Other companies in the group are Insurance Co. of Texas and Life Insurance Co. of Texas.

Assets of Continental F. &amp; C. as of Dec. 31 were \$1,140,089, with \$250,000 capital and \$251,468 surplus. Insurance Co. of Texas had assets of \$1,798,370, \$400,000 capital and surplus of \$301,295. A new stock issue is now being offered, Mr. Cage said, to place the group's policyholders surplus above \$1,500,000.

Through acquiring ownership of Continental F. &amp; C. the group expands its operations to 14 states, with license applications pending in others. In addition to Texas, the states are Louisiana, Arkansas, Oklahoma, Oregon, Nevada, Arizona, New Mexico, Wyoming, Colorado, Kansas, Missouri, Alabama and Florida.

In addition to Mr. Cage, new officers of Continental F. &amp; C. are: Vice-presidents, J. G. Vaughan, Nile E. Ball, C. O. Blackburn, Albert Boggess, together with



## Multiple Line Policy Developments Reviewed at Detroit by C.P.C.U.'s

DETROIT—The highlight of the program at the midyear meeting of the Michigan Assn. of Insurance Agents was the C.P.C.U. seminar on multiple peril policies. An entire afternoon was given over to this session, which was attended by about 300 agents.

L. R. Christman, executive secretary of Standard Accident, acted as moderator and introduced the four speakers, who were Miss Ella Rachel Lyons of the E. B. Lyons agency of Detroit; Don A. Yocum, fire and marine manager of Planet; Henry P. Carmichael, casualty manager of Citizens Mutual Automobile of Howell, Mich., and Wallace G. Lutz, casualty and marine manager of Blumberg Bros. agency of Detroit.

The responsibilities of the producer in making multiple peril coverages a success were stressed, as was the need for a better understanding of these forms by the agents. The companies must devise a premium financing plan that will allow an insured to buy the many coverages of a multi-peril policy other than on a one payment basis, Mr. Carmichael said.

### Gives Background

Miss Lyons led off the discussion with a background talk in which she described the evolution of insurance to the all-risk stage. At this point, multiple peril packages are the most prominent development in the business today, she said. Also they are the most controversial topic. With so many factors involved, it will take every segment of the business, working together, to do a good job.

Describing some of the package policies available today, Mr. Yocum mentioned the named peril packages such as storekeepers' burglary, office burglary, etc.; the optional selection packages including O.L.&T., and then went into some of the all-risk forms including comprehensive personal liability, personal property floater. He mentioned the combination packages such as the full coverage automobile, the 3-D and jewelers' block policies.

### Not Selling Policies on Hand

Mr. Yocum said that many of the combinations he mentioned have been ridiculed and perhaps are confusing, but added that so far the agents have done a poor job of merchandising the combinations presently available. Agents have said they could not afford the time it takes to consolidate the many policies of staggered expirations into a few groups of packaged contracts. Others have said that their staffs had all they could do to keep up with the volume produced by new accounts and additional amounts of coverage. This type of conversation may be purely rationalization, Mr. Yocum said, a defense of slow progress. When the public realizes that all coverages can be packaged and budgeted, a demand will develop. The agents will be forced to suggest such packages in self-defense of the business on their books. "Just think of the clerical detail that agents and companies alike will save. It will help to cure the expense ratio problem and the personnel shortage problem in the bargain."

### Should Inform Public

The public should be informed that combination "deals" are available, Mr. Yocum declared. He cited as evidence that the public is ready for such forms, the case of the newly married couple that call an agency and inquire about "fire and theft" insurance on their wedding gifts and furniture. The inquiry is indicative that the young public is not aware that this is any different from buying fire and theft coverage on an automobile, nor that until a few months ago such coverage on furniture was not available in a single policy.

Mr. Carmichael spoke on some of the

problems involved in package policies. He reviewed the difficulties involved with the present laws in many states and mentioned some of the obstacles the companies face including reinsurance, underwriters who can handle all lines, differences in annual statements, premium tax problems and financing of new business.

### Trouble with Concurrence

The producers will have trouble, Mr. Carmichael said, with concurrence of coverages. The agent might find himself in a position where his insured are faced with non-concurrence unless they coinsure at the time of loss. Unless the company issuing the multiple general contract is in a position to take the entire line, the agent must place the business elsewhere and find that he is unable to recommend the multiple peril policy to his client.

If the contracts are not standardized, the agent who represents a multiple line company, and who has induced his clients to carry a multiple peril contract, may find that at the time of loss there is no coverage under the new program, but there would have been under the previous program of several policies.

The agent also is faced with the necessity of educating himself to a major change in the business and may feel that there is not enough time to devote to learning the package policy system.

### Need Financing Plan

Most insured are used to having many separate policies with varying effective dates. Mr. Carmichael said this gives them an automatic plan of financing their insurance costs. With the multiple peril policy, the premium would come due in one lump sum, and the majority of insured would find it difficult to dig up the money to pay in this fashion. Unless the companies come up with some sort of premium financing plan, Mr. Carmichael warned that the public is not going to be able to handle the premium and will not be even the slightest bit interested in the proposal.

Reviewing current trends in package policies, Wallace Lutz mentioned the various plans now in existence, touching briefly on the different dwelling policies and the automobile manufacturer's output policy, which he said is now in a state of suspended animation, the companies having temporarily stepped back to mark time and review their rate making formula.

## Changes in Multi-Location Plans, Mostly Editorial

Filings have been approved in 11 jurisdictions that embody several changes in the independent rating plan for multiple location reporting, floater and automatic pick-up coverages. These are changes being recommended by National Insurance & Advisory Organization, and consists of quite a number of minor changes, many of them of the clarifying variety. Some have been made to simplify rate calculations. There are no major changes in intent or operation of the plan. There are some changes in forms, though none of these are major.

Typical of the changes are the carrying out of rate calculations to three decimal places to eliminate minor differences in the final average rate and premium that have occurred in the past when one bureau used rates carried out to four places and another rates carried out only to two places.

There is also the automatic reinstatement of loss, the insertion of a war risk exclusion clause identical with that currently used in extended coverage for specific forms, etc.

Multiple Location Service Office is said to be making some editorial revisions in its March, 1951 rating plan, the revisions being of a minor nature.

## Smuts New President of Mid-West Buyers Assn.

Joseph E. Smuts, Butler Brothers, was elected president of Mid-West Insurance Buyers Assn. at its annual meeting at Chicago. He succeeds Charles H. Retzke, Crane Co.

The new vice-president is E. M. Taber, Peoples Gas Light & Coke Co. Louis J. Ronder, Continental-Illinois National Bank & Trust Co., was re-elected treasurer. Miss Florence Anderson, Spiegels, is secretary.

## Chicago Examiners Hear of Inspection Bureau Activity

Assn. of Fire Insurance Examiners of Chicago at its February dinner meeting heard a description of the functions of Illinois Inspection Bureau by Assistant Manager Ray O. Matson.

While the bureau's primary purpose is to publish rates, Mr. Matson pointed out that it has several other important functions. It compiles and distributes the insurance rule book and various manuals, grades according to fire protection facilities all towns under 25,000 population, inspects sprinklered risks, makes reports on special hazard risks and sprinklered risks, and maintains a consultation department through which anyone in the business can obtain information on how to improve a risk or lower a rate. It also now is responsible for auditing policies, having taken over the old Illinois Audit Bureau last July.

### More Than 250 Subscribers

All companies writing business in Illinois are eligible for bureau membership, Mr. Matson said. There currently are more than 250 subscribers, including stock companies, mutuals and reciprocals. Each company contributes to the support of the bureau according to its premium volume and the assessment of those companies writing at a deviated rate is increased proportionately to equal that of the other companies. All rules and rates must be filed with the insurance department and determined as being adequate, not excessive and not unfairly discriminatory.

Mr. Matson mentioned that there are five factors in rate making. They are the basis rate, construction, exposure, protection and occupancy. The latter four are percentage factors of the basis rate.

## Canadian Superintendents Fielding, Swaine Named

Two new insurance superintendents have been named in Canada. P. S. Fielding becomes superintendent for Prince Edward Island succeeding A. W. MacKinnon, who has been appointed Canadian counsel for Metropolitan Life. Fred A. Swaine is the new superintendent for Manitoba. He replaces Herbert Hunter, who has joined North American Life & Casualty as executive director for Canada.

## Merger at Louisville

Louisville & General has been merged with Louisville Fire & Marine. The company was founded in 1949 by interests identified with the E. S. Tachau & Sons agency of Louisville. Louisville & General officers, headed by E. S. Tachau, Charles G. Tachau and Lewis Tachau, hold similar positions with the succeeding company.

At Dec. 31, 1950, Louisville & General's assets were \$272,421, and surplus to policyholders \$75,269. Premiums earned during that year were \$165,109.

## Cleveland Management Forum

Marvin E. Shiffman, Cleveland local agent, will conduct a six-night forum on insurance agency management beginning March 3, sponsored by the department of education of Insurance Board of Cleveland.

## Program of Eastern Agents Conference About Completed

The program for the Eastern Agents Conference at Atlantic City April 6-8 has been about completed. Start is on April 6 with registration and a buffet supper and get-together that evening. Two general sessions will be held Monday, April 7, the banquet and dance that night and the meeting closes Tuesday with a luncheon. "Progress Through Cooperation" is the theme of the conference, according to E. S. Cowles, Jr., Hartford, chairman.

Secretary J. Vernon Coblentz, Frederick, Md., and Treasurer Preston H. Hadley, Bellows Falls, Vt., will report with Morton V. V. White, Allentown, Pa., presenting the report of the conference committee, assisted by Frederick W. Doremus, secretary of Eastern Underwriters Assn.

James M. Cahill, secretary National Bureau of Casualty Underwriters, will discuss casualty manual changes. A panel on agents' underwriting problems will be conducted by Laurence J. Ackerman, dean of the school of business, University of Connecticut. Richard E. Farrer, educational director of National Fire, will handle fire and allied lines. Winslow H. Arnold, vice-president of Aetna Fire, automobile, and Ashby C. Taylor, vice-president Fidelity & Deposit, fidelity and surety. Maurice C. Herndon, N.A.I.A. Washington representative, will speak.

On Tuesday there will be committee reports and election of officers, followed by a discussion of N.A.I.A. by Joseph A. Neumann, Jamaica, L. I., member of N.A.I.A. executive committee. Formation of catastrophe committees at state and local levels will be discussed by Donald B. Sherwood, general adjuster of National Board. Mr. Neumann will induct the new officers.

## Ladner and Lloyd Named to Higher Security Posts

Security of New Haven and Connecticut Indemnity have elected George E. Ladner, chief accountant, controller. Mr. Ladner joined the companies as chief accountant in 1944. Prior to that he had a number of years' experience in both home office and branch office work.

Mr. Ladner graduated from Notre Dame in 1929. He has been active in insurance organizations in the accounting field and is chairman of the uniform accounting committee and a vice-president of Insurance Accountants Assn.

John E. Lloyd has been appointed chief accountant. He joined Security in 1946. He graduated from Bates College in 1942 magna cum laude with Phi Beta Kappa honors. He entered the army and upon his release from service joined Security.

## Celebrates First Birthday

Ohio Security of Hamilton held a party on its first anniversary last week with about 50 home office employees and local agents attending. President John B. Connaughton introduced the officers and reviewed the results of the first year and discussed the company's new re-insurance agreement with Fireman's Fund.

Capital has been increased to permit local agents to become stockholders.

## Tom Baker Joins M. & M.

Tom Baker, formerly vice-president of Utilities of St. Louis, has become associated with Marsh & McLennan at that city.

## To Hear Two Company Cases

U. S. Supreme Court scheduled for argument during week of March 3: Nos. 126, national labor relations board vs. American National, and 450, U. S. vs. Atlantic Mutual.



## Eastern Conference Completed

The Eastern Agents' Conference, which started in New York City April 4, 1931, and continued through the evening of the 10th, will be held Monday and Tuesday, closing Tuesday morning. The theme of the conference is "Progress Through Cooperation."

E. S. Cowles, Jr., of New York, is president. Other officers are: Vice-president, J. H. Coblenz, of New York; Secretary, J. H. Preston, of New York; Treasurer, J. H. White, of Allentown, Pa.; and Secretary of Eastern Union, J. H. White, of Allentown, Pa.

Secretary National Underwriters, J. H. White, of Allentown, Pa., will report on the changes in the National Underwriters' Association.

Writing problems were discussed by Laurence J. Ackerman, of New York, and Richard E. Director, of New York, and allied lines. Vice-president of the conference, J. H. White, of Allentown, Pa., and Ashby C. Fidelity & Deposit, of New York, and Maurice G. Washington, of New York, will be committee members, followed by A. I. A. by Joseph L. I., member of the committee. Form committees at state level will be discussed by general adjusters. Mr. Neumann will

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## Named Posts

men and Connecticut. George L. Stanton, controller of the companies at New York. Prior to that time, Stanton's experience in branch office work, and from New York, has been active in the accounts of the uniform and a vice-president of the Assn. of Insurance Agents. He has been appointed Security in from Bates College, and with the He entered the service from

## Birthday

Hamilton held a anniversary last week. The employees and President John H. White, of Allentown, Pa., of the first company's new with Fireman's Association. He entered the service from

## M. & M.

vice-president has become as McLennan at

## any Cases

scheduled for of March 3. Relations board and 450, U. S.

## Subsidence Question Is Eyed in Relation to AEC Claims

By JAMES C. O'CONNOR

The question of what is "subsidence" may turn into the first serious argument over the interpretation of the additional extended coverage endorsement, judging from the interest recent losses in California have provoked. It is currently a hot subject of discussion among adjusters, loss executives, underwriters, attorneys, and almost everyone else interested in fire insurance. There appears to be no clear-cut answer.

The California losses—and some have appeared in other parts of the country—involved either foundations collapsing as a result of heavy rains, or, in some cases where houses had been built on steep hills, the houses sliding off their foundations. They have occurred both to buildings under construction and to completed buildings of some age.

### Wording of Endorsement

The additional extended coverage endorsement covers, under the collapse section, "injury to or destruction of the property covered hereunder resulting from the collapse of floor(s), wall(s), or roof(s) of the described building(s), but not collapse caused by or resulting from subsidence."

There is also a general exclusion clause, denying liability under any section of the additional extended coverage endorsement, for damage caused directly or indirectly by "backing up of sewers or drains" and also by "flood, inundation, waves, tide, or tidal wave, high water, overflow of streams or bodies of water, whether driven by wind or not." The problem in many of these cases is thus whether the rain which weakens the foundations amounts to inundation or high water, and whether the collapse in such a case is due to "subsidence."

### What Is "Subsidence"?

Apparently, the term "subsidence" has not been considered in cases involving insurance contracts. Attorneys have dug up from section 817 of the "Restatement of Torts" this definition:

"Subsidence is any movement of the soil from its natural position. This movement may be in any direction. It may be of surface or subsurface soil. A shifting, falling, slipping, seeping or oozing of the soil is a subsidence within the meaning of the term."

Some insurance people have suggested that collapse of foundations at the bottom of a hill, where water has collected and the foundations sunk into wet ground, would fall into this definition of "subsidence." They are not so sure whether a court would hold the same in case of a house on the side of a hill, perhaps fairly high up, in which the foundations may have been washed away, rather than sunk. Where a house has slid off its foundations, the walls seem obviously to have collapsed.

### How to Pronounce?

The question also of whether extremely heavy rain would be called an "inundation" by a court is another moot one. All in all, it seems doubtful if this question will be decided to the satisfaction of everybody until someone takes the case to court.

Discussions of this subject have brought out a variety of pronunciations of the word. Webster gives "sub-SEYE-dence" as the preferred pronunciation, but also gives "SUB-sidence" as a secondary pronunciation, commonly used in England.

## Ohio Rules Are Restated

Superintendent Robinson of Ohio has issued a clarifying bulletin, which restates the authority of fire insurance companies to offer various coverages. This bulletin does not spell any change in procedure or authority, but is intended to answer a variety of inquiries that

continue to reach the department.

For one thing this bulletin states that fire insurance companies may write the coverages of burglary and glass insurance in Ohio after rates and forms are filed and approved.

A fire company may write the additional extended coverage endorsement as filed by Ohio Inspection Bureau (which eliminates the coverage of explosion by steam boiler) and may write the householders' limited theft endorsement, as filed by the casualty rating bureaus, without amending its certificate

of authority. Fire companies may join a casualty rating bureau for the filing of the householders' limited theft endorsement, or may file this form and rate direct with the department.

## M. & M. and W. F. Souder, Jr. Go Together in Indiana

Merger has been completed of Marsh & McLennan, Inc., of Indiana and Souder Insurance Agency of Indianapolis. This produces what is said to be the largest local agency in the state.

William F. Souder, Jr., who established his own agency in 1948, becomes vice-president and general manager of M. & M. of Indiana. George E. Home continues as senior vice-president of M. & M. of Indiana. The latter was established in 1926 and Mr. Holm has been in charge since 1928.

The premiums of the combined agency are about \$2½ million. Mr. Souder has been in the insurance business since 1931. He was at one time manager of the insurance department of City Securities Corp. He was a lieutenant colonel in the army air force.



THE MONROE DOCTRINE . . . When James Monroe delivered his presidential message to Congress on December 2, 1823, he said in part,

"We owe it therefore to candor, and to the amicable relations existing between the United States and those powers, to declare that we should consider any attempt on their part to extend their system to any portion of this Hemisphere, as dangerous to our peace and safety."

These forty-seven words, known as the Monroe Doctrine, have been accepted without modification through the years by the people of the United States as the cornerstone of American foreign policy, even though Congressional action has never confirmed them.

*Our sincere endeavor to adhere to the principles of democracy as exemplified in the American Agency System has gained the respect and confidence of the Agents of America which is a cherished asset.*



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MANAGER



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WESTERN DEPT. FREEPORT, ILL. • PACIFIC DEPT. SAN FRANCISCO • SOUTHERN DEPT. ATLANTA • ALLEGHENY DEPT. PITTSBURGH • VIRGINIA CAROLINAS DEPT. DURHAM, N. C.

## Try \$50 Deductible on Comprehensive in N. Y. First Time

NEW YORK—The \$50 deductible on comprehensive coverage which has been introduced here for the first time at a reduction in rate of one-third represents an effort to overcome what has developed into a serious problem, a multiplicity of small claims, especially vandalism and malicious mischief.

The deductible is not applicable to the fire, lightning and transportation coverages, nor to the theft, larceny, robbery or pilferage occasioned by taking of the entire automobile.

The new deductible clause is effective Feb. 25. The rate discount is applicable up to the minimum annual premium charge for the comprehensive of \$8 for each policy.

### Big Premiums in N.Y.C.

In most of New York state, the comprehensive takes a minimum premium or close to it. It is in metropolitan New York City where premiums run high. For example, on the Ford, Chevrolet, Plymouth and small Studebaker class, new cars, the premium may be \$22 to \$26, actual cash value. Here a rate reduction would be attractive. It is understood that many insurers are inclined to use nothing but the deductible in the metropolitan area. In the last couple of years or so, claims have become so frequent, many of them allegedly for vandalism and malicious mischief, that insurers have been reluctant to write the cover, at least in certain sections of metropolitan New York.

The original suggestion of a \$50 deductible came from the agents of New York City and other producers there. They believe the deductible will help to cure a situation that has prevailed in New York City and that insurers

will be more inclined to write comprehensive and other automobile coverages.

David S. McFalls, president Assn. of Local Agents of New York City, officially complimented National Automobile Underwriters Assn. on adoption of the deductible and urges its use by agents, brokers and companies in a concerted effort to avoid further restriction of the market and its attendant hardships upon all concerned. Experience with the deductible on collision has shown that attempts are often made to circumvent the deductible by inflated claim figures. It is likely that similar attempts will be made under the new form and he urged adjusters to be cautious in handling claims under the new deductible so the intended benefits will not be lost to the industry.

Because glass breakage may be paid under the comprehensive or collision coverage, when it is caused in a collision, in connection with the new \$50 deductible comprehensive, insured may select which of the two coverages is to apply. With \$50 comprehensive deductible, he might carry \$25 deductible collision and it would be to his advantage to select the collision coverage to pay for the glass breakage. If he had \$100 deductible collision, it would be better to select the \$50 deductible comprehensive for the glass cover. The choice is allowed only if the glass breakage is caused by collision. The \$50 deductible under the new comprehensive form would apply to glass breakage from other causes.

### Splititis Fever Erupts

A number of stockholders of General of Seattle, at the annual stockholders' meeting, urged that a stock split be made and also that the cash dividend be increased. H. K. Dent, the president, argued against either splitting the stock or increasing the cash dividend rate. There are 983 stockholders. The stock is very inactive but is said to be nominally in the range of \$320 per share.

## Ownership Muddles Settlement of Grain Loss in Kan. Flood

Many complicated and vexing situations are occurring in connection with settlement of grain losses in railroad cars due to the flood last summer, mainly at Kansas City and Topeka. It is estimated that about 2,000 cars of grain were involved.

What is causing most of the discussion and disputes is the matter of determining the ownership of the grain at the exact time when the damage occurred. Usually this means that there is an attempt being made to establish that the title was with an owner who had insurance. The evidence is often fragmentary. Where there is any kind of a written memorandum that would tend to place the ownership with an insured interest, this sort of evidence is strongly pressed against the insurance company's position. But on the other hand, where any kind of written evidence would tend to place the grain with an uninsured owner, then there is a tendency on the part of the claimants to dismiss this as not actually representing their intentions.

### Matter of Intention

The question reduces very largely to a matter of intentions.

While the issue generally lies between insurance and no insurance, there are some cases involving insurance companies on both sides.

Some of these situations have gone to arbitration, but so far at least there has been no litigation.

Then there are some claims presented for heating of grain due to delay caused by the flood. There is some difference in terms of the owners' transportation policies and this apparently has some bearing on the attitude toward such

claims.

It is said that some insurers have been paying losses of this type while others are denying liability. On cargoes of wheat, the values run between \$4,000 and \$5,000 per car. The premium usually ran less than 4 cents per car.

## New Tax Is Proposed on All Michigan Insurers

LANSING, MICH.—A strongly supported effort is being made in the Michigan legislature to impose a corporation franchise fee on Michigan-domiciled insurers of all types.

Michigan companies now pay only property taxes and certain other levies, such as the intangible tax on part of their investment portfolios. Non-Michigan life companies pay a 2% premium tax and property insurers 3%.

The bill just offered would establish a privilege fee on all Michigan stock companies, mutuals, associations, medical and hospital service corporations and the state accident. They would pay 5 mills for each dollar of paid-up capital, surplus and "unassigned funds." The minimum payment would be \$10 and the maximum \$50,000.

If the companies operate outside of Michigan, payment would be based on the ratio of Michigan business to total premium volume. The amount paid under the proposed new act would be in lieu of all other taxes except the property tax on home office buildings and similar properties.

### Platell Cleveland Special

E. O. Platell has been appointed special agent at Cleveland of American Surety. He has been there since 1940. He graduated from Miami University and Cleveland law school and served in the army.

L. W. Rasmussen of Western Actuarial Bureau has become an engineer for Metalware Corp. at Two Rivers, Wis.

# INTER-OCEAN REINSURANCE COMPANY

## Cedar Rapids, Iowa

FINANCIAL STATEMENT AS OF DECEMBER 31, 1951

### ASSETS

Cash in banks .....	\$ 791,621.80
United States Government bonds .....	3,345,773.67
State, County and Municipal bonds .....	3,931,016.59
Preferred stocks .....	514,147.00
Common stocks .....	1,513,626.00
First mortgage loans .....	150,177.04
Home office .....	74,915.15
Accrued interest and rents .....	66,760.43
Premium balances (not over 90 days) ..	545,842.43
Reinsurance recoverable on paid losses ..	170,587.21
Surrender value of life insurance policies	22,274.59
Total admitted assets .....	\$11,126,741.91

### LIABILITIES

Unearned premiums .....	\$ 5,828,975.45
Reserve for losses .....	1,057,778.47
Reserve for adjustment expense .....	43,131.31
Reserve for taxes .....	158,053.99
Funds held under reinsurance treaties ..	310,447.08
Reserve for commissions and other liabilities .....	417,801.93
Capital .....	\$1,000,000.00
Surplus .....	2,310,553.68
Surplus to policyholders .....	3,310,553.68
Total .....	\$11,126,741.91

Note: Bonds are valued on an amortized basis and stocks at the prices prescribed by the National Association of Insurance Commissioners. Securities carried at \$1,000,000 in the above statement are deposited as required by law.

### HOME OFFICE

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Iowa

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**FIRE AND ALLIED LINES**  
**PRO RATA AND EXCESS OF LOSS**

### EASTERN DEPARTMENT

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New York



## Mink Coats Are Hard to Insure in Chicago Now

Mink coat losses in Chicago have become so costly that many underwriters are closing their doors to such business except such as comes from the choicest agents and has to be stomachached. Just the other day some \$15,000 of mink coats were taken from a church in Oak Park during a gathering. The situation has been bad for many months and seems to be worsening just now. At any rate, most of the underwriters have decided to temporize with the problem no longer and they are taking an uncompromising stand on acceptances.

Some underwriters are insisting that they be furnished with a bill of sale when insuring a coat rather than simply an appraisal. There is some evidence of moral hazard and collusion, with furriers furnishing appraisals that are considerably higher than the cost of the garments.

The Chicago and New York loss situations so far as furs and jewelry are concerned are causing continued agitation in some circles for use of local rates for these lines. By and large such a departure is opposed by the old-time marine men who are committed to the principle of uniform nation-wide rates. The local rates are advocated principally by those whose fire insurance tradition is more deeply rooted than their marine activities. Those committed to the uniform rate insist that it is necessary in order to produce a proper spread of business.

### Slate Six Speakers for Rockford Buyers Parley

Six speakers are scheduled to address the insurance buyers conference to be sponsored March 27 by Rockford Assn. of Insurance Agents. All insurance buyers from small mercantile business men to the largest manufacturers in the Rockford area will be invited, as will some agents from towns in the vicinity.

Speakers will be John Kerr, assistant agency supervisor of Maryland Casualty, on comprehensive general liability; James C. O'Connor, editor of the "F.C.&S. Bulletins," on reasons for the increase in automobile insurance costs; Frank B. Rowe, marine superintendent of National Fire at Chicago, on loss exposures away from the premises; James J. Ward, vice-president of Coats & Burchard, on property valuation and insurance; George Whitford, secretary of Fire Association, on business interruption insurance, and Prof. John J. Ahern of Illinois Tech, on reducing insurance costs through safety and fire protection.

H. W. Mullins of the Williams, Manny, Stevens & Engstrom agency, is general chairman, and C. M. Weller is president of the sponsoring Rockford Board.

### Appleton & Cox Banquet

The annual cocktail party and banquet of the Twenty-Five Year Club of Appleton & Cox is being held at New York Thursday, with President D. Farley Cox, Jr., presiding. Eight new members will be inducted, bringing the total living membership to 58. George D. Hoffman, chairman of Appleton & Cox, is retiring as president of the club. He will be succeeded by Lydia C. Selby, treasurer and director. Gustave H. Kahres becomes vice-president, Margaret B. MacLellan secretary, and Mary A. Gauld treasurer. Only four officers of Appleton & Cox have not as yet served a quarter of a century with the organization.

### Law Firm Reception

The Chicago law firm of Ekern, Naujoks & Ekern entertained a large number of insurance company and or-

ganization friends at cocktails at their quarters at One North La Salle street. This firm was organized about three months ago by attorneys who have been especially close to insurance activities but the reception was put off until the decoration of the offices was completed. Herman Ekern, who has been confined to his home at Madison, Wis., since last fall, was unable to attend although he is currently preparing to make a trip to Florida. The presiding honors were shared by his son, George L. Ekern, and Herbert H. Naujoks.

## Rumor Wind Deductible to Be Introduced in Ill.

According to an extensively circulated report, an important feature of the settlement of the extended coverage rate question in Illinois which is expected to be announced very shortly, will include provision for a \$50 manda-

tory deductible on windstorm losses. If it is introduced in Illinois, that will be its first appearance in a middlewestern state. The windstorm deductible so far has been confined almost exclusively to states with a seacoast, although the deductible plan has not been restricted to the seacoast area of such states.

A bill has been introduced in the Rhode Island legislature which would broaden the underwriting powers of Pawtucket Mutual Fire to allow it to write all types of insurance except life.

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A strongly sup- made in the Mich- ose a corporation gan-domiciled in

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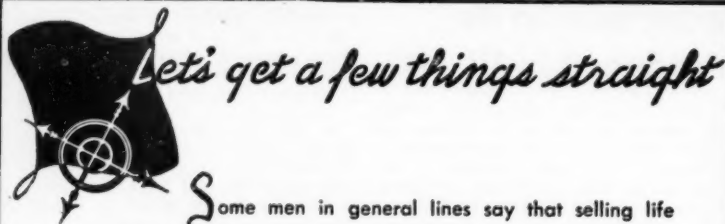
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A LIFE insurance contract with us is CLIENT insurance for you. It will guard your present clients from competitors who have added life coverage to their lines, and it will add to your income. Write to Charles W. Arnold, Vice-President and Superintendent of Agencies, Box 139, Kansas City, Missouri, for full details.

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## Royal-Liverpool Group Rolls Up \$192 Million Total

The Royal-Liverpool group has released its figures on U. S. operations showing that for all companies combined, fire and casualty, there was an underwriting loss of 2.02% or \$3,885,176.

The net premiums for the entire group were \$192,373,121, losses incurred \$93,436,913, ratio 48.57; adjustment expenses \$11,995,472, ratio 6.24; taxes other than federal income taxes, \$6,490,718, ratio 3.37, general expenses \$66,363,181, ratio 34.5, trading gain 7.32% or \$14,086,837. The increase in premium reserve was 9.34% or \$17,972,013.

For the fire companies combined there was an underwriting gain of 2.69 or \$2,852,152. The net fire and marine premiums were \$106,158,353, losses incurred \$46,518,199 or 43.82%; adjustment expenses \$5,944,428, or 5.6%; taxes other than federal income \$3,532,604, or 3.33%, general expenses \$36,926,233 or 34.78%; trading gain 12.47% or \$13,236,889. The increase in unearned was \$10,384,737.

The casualty companies gave an underwriting loss of \$6,737,328 or 7.81%. The net premiums were \$86,214,768, losses incurred \$46,918,714 or 54.42%, adjustment expenses \$6,051,044 or 7.02%, taxes \$2,958,114 or 3.43%, general expenses \$29,436,948 or 34.14%. There was a trading gain of \$849,948 and an increase in unearned of \$7,587,276.

## G. A. B. Names Thompson Manager at Nashville

William H. Thompson has been appointed manager at Nashville for General Adjustment Bureau, succeeding A. W. Holloway who has resigned to enter another business.

Mr. Thompson has been manager at Montgomery, Ala. He was with several insurance companies for seven years before joining the bureau in 1935. He was at Atlanta and Norfolk before his appointment as adjuster-in-charge at Jackson, Tenn., in 1940. He was transferred to Montgomery in 1945 as manager.

## Zone 4 Rating Men Map Plans for March Session

The N.A.I.C. zone 4 raters organization, of which L. T. Coddington of Illinois is chairman, will hold the spring meeting at room 1615, State Office building, Chicago, the week of March 24. Mr. Coddington asks to be notified before March 10 of industry representatives that desire to attend and specifically which section — casualty, fire or A. & H. — they want to take in.

Any section in which industry representation is wanted will be scheduled for a two-day meeting, the first day to be an executive session and the second day an open session for the department men and industry people.

Questions for discussion at the casualty section are:

Hazards not common to all risks of the class; composite rating plan; experience and schedule and fleet rating plans; retrospective automobile material damage.

Fire and allied lines topics are:

Study the extent to which statistical plans of National Board and Mutual Insurance Advisory Assn. require amending to provide adequate rating statistics.

Study the extent to which inland marine statistical plans should be amended so they will separate the fire portion of the premium and losses from the remainder of the coverage.

Discussion of the guiding principles for the use of classifying fire underwriting experience in fire rate making as outlined in Bulletin 49-1, dated July 29, 1949, and promulgated by National

Board.

Discussion of the necessity for adopting a uniform statistical period to be used when reviewing either extended coverage or windstorm experience.

A. & H. topics are:

Franchise A. & H. policies; terminal maternity benefits rules; Minnesota rule on catastrophe A. & H. coverage; A. & H. war exclusion riders, and policyholder complaints.

## Hanover Makes Strong Statement

Hanover Fire made a gain of just short of \$1 million in surplus last year, the new figure being \$11,446,770 as against \$10,479,883 a year earlier. Capital remains at \$4 million and there is a \$500,000 voluntary reserve.

Premiums written were up 9.7% to \$24,888,759 while the earned premiums of \$22,863,315 were 11.7% higher.

President F. Elmer Sammons stated that the statutory underwriting profit was reduced to \$97,193 as against \$658,379 the previous year. This he attributed to the inflationary trend and the penalizing effect of a 10.18% increase in premium reserve. The trade profit was \$2,197,143 as against \$2,804,862 the year before. The ratio of losses and loss expenses incurred to premiums earned was 54.06 and the expense ratio to premiums earned was 45.45.

## Malah Retires; Chicago Bureau Setup Due for Expansion Under Fuller

National Bureau of Casualty Underwriters is retiring Peter Malah as manager at Chicago. He has been 33 years with the bureau and manager at Chicago 27 years.

Harry H. Fuller, special representative of the bureau, becomes manager at Chicago. It is anticipated that within a short time this office will be made the headquarters of a regional branch office of the bureau which will embrace Illinois and surrounding states. The set-up and functioning of the regional office will be similar in pattern to that followed by the Pacific Coast and southwest regional branch offices.

## W. Va. Defaulter Gives Up

Samuel E. Swiger, vice-president of Farmers & Merchants Bank at Cairo, W. Va., near Parkersburg, has surrendered to F.B.I. and admitted taking \$30,000. Fidelity & Casualty has the bond on the bank.

Fred Rohde, son of the late Alfred Rohde, who was with the Zork & Lutz agency at San Antonio, until recalled for air force service, is now in Guam. While flying in a typhoon to study atmospheric conditions he found his plane was on fire but landed it safely.

## ACCOUNT EXECUTIVE

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## American Group Premiums Cross \$75 Million Mark

Premiums of the American group in 1951 exceeded \$75 million, or an increase of better than 10½ million over 1950, President B. C. Vitt reports.

Despite the carry-over in losses from the storm of Nov. 25-26, 1950, there was an underwriting profit on fire and allied lines of \$1,844,013. In the casualty lines there was a loss of \$2,640,478 and the overall loss was \$805,465.

Assets of the group were \$139,922,911, an increase of \$11,777,498 and surplus was \$41,932,501, an increase of \$3,772,382.

Bankers Indemnity had assets of \$164,259,704 and surplus of \$6,009,442, which was an increase of \$1,764,264.

American reinsured the entire business in force of Bankers at Dec. 31, 1951 and will continue automatically hereafter to reinsure all premiums written by Bankers.

## Employers Advances Morse, O'Day in Chicago Office

Arthur A. Morse, who has been superintendent of the inland marine department of Employers group at Chicago for the past year, has been appointed agency supervisor in the western department, under W. A. Eakin, manager. He started in 1936 at the home office at Boston. He has had experience not only with inland marine lines, but has also been a special agent, underwriter and has lectured extensively on insurance subjects.

Joseph F. O'Day succeeds him as superintendent of inland marine. He has been an inland marine underwriter and field representative in the New York department.

## Salvage on Rescued Half of Tanker \$2 Million

The salvage of the oil tanker Fort Mercer, which broke in two off Nantucket in a heavy storm, will amount to about \$2 million, including the oil. The bow broke off and was sunk by the coast guard. The stern was towed into a Brooklyn pier. The machinery in this type tanker, a T-2, is located in the stern section which is the reason that half usually accounts for two-thirds of the value. The ship belonged to Trinidad Corp. and was insured in the American market. It is not unusual following accidents of this kind for a new bow to be fitted on.

## Premiums of Yorkshire Group Are Higher by 21.5%

Premiums of the Yorkshire group in the U. S. last year were higher by 21.5%, the total being \$9,855,679. The combined policyholders' surplus of Yorkshire, Yorkshire Indemnity and Seaboard F. & M. was \$6,178,697. This included additions of \$299,600 to the funds of the fire company and \$378,328 to the indemnity company by the parent institution, at the year end.

The two fire companies had a combined trade gain of \$770,306 and a statutory underwriting loss of \$378,770. Yorkshire Indemnity had a trade loss of \$432,491 and statutory underwriting loss of \$447,351. About half of the loss was due to malpractice business which the company ceased writing in 1949.

## New Hampshire Promotions

Edward P. Turner has been advanced from assistant secretary to secretary of New Hampshire and Granite State.

Harold C. McAllister, Martin C. Chery and Austin V. McKowen were advanced to vice presidents of Granite

State. William J. Hollowell was elected marine secretary; Einar C. Rohlin resident secretary at Atlanta and Miley C. Rodgers was elected resident secretary at San Francisco for both companies.

J. Fred French, president of Amoskeag Savings Bank, was elected a director of New Hampshire and M. James Greenough a director of Granite State.

James B. Donovan of the New York law firm of Watters & Donovan, has been named chairman of the automobile insurance law committee of the American Bar Assn. Insurance Section.

## Mutuals Complete Production of Bicentennial Film

The new mutual insurance motion picture, "No Longer Worried," has been completed as a feature of the program planned to observe the 200th anniversary of mutual insurers in the United States. The nation's oldest insurer, Philadelphia Contributionship, was founded in 1752.

The film, which will run about 25 minutes, is built around Benjamin

Franklin, one of the founders of the Contributionship. Franklin is portrayed by Rhys Williams, Hollywood character actor. The film's title was taken from the final remark made by Franklin in the film after he has changed places with one of his descendants and learns how the idea of mutual insurance grew with the nation.

Initial showing is scheduled for the 200th anniversary dinner March 25 at Philadelphia, and other state dinners. A large number of prints will be available for later showing throughout the entire



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## W.U.A. "Policyman" Is Well Traveled

Nearly 10,000 persons have witnessed the Western Underwriters Assn.'s educational film, "Introducing the Policyman", which, in cartoon fashion, explains in lay language the terms of the fire insurance policy.

The film has enjoyed enthusiastic reception throughout the country. Of the 60 prints originally made, 34 were assigned to the 17 field clubs in W.U.A. territory and others were put into circulation through Eastern Underwriters Assn., Southeastern Underwriters Assn. and the Pacific Board.

According to reports received from those who have had charge of showing the film, it has a wide range of appeal. Close interest was evinced by viewers ranging from the status of ninth graders up to company employees. Some companies have been using the film as an aid in indoctrinating new employees, and it also has been shown in connection with college insurance classes.

In all there have been 145 showings and of these 51 were before service organizations such as Rotary and Kiwanis clubs. The film also has been shown before a number of state insurance commissioners and their staffs, who have complimented it highly.

W.U.A. requires that a field man be in attendance at each showing of the film in its territory to answer questions and elaborate on certain points. The viewers are furnished with a brochure which highlights important parts of the film.

## Card Readied for Midwest Conference at Milwaukee

The program has been completed for the Midwest Territorial Conference of National Assn. of Insurance Agents, to be held at Milwaukee March 24-26.

Speakers include George W. Carter, Detroit, chairman of the midwest conference committee, and Jesse W. Randall, president of Travelers. John W. Cowee, University of Wisconsin, will be moderator of a panel on comprehensive general liability covers. Participants are James C. O'Connor, editor of the Fire, Casualty & Surety Bulletins; Kenneth J. Kirchen of the Gottschalk agency, Milwaukee; Richard H. Elliot, assistant manager of National Bureau of Casualty Underwriters, and Palmer Benson, claim secretary of St. Paul-Mercury Indemnity.

Separate breakfast meetings are scheduled for rural and small lines agents and the metropolitan and large line agents. A panel on business interruption insurance and time element covers will be presided over by George V. Whitford, secretary of Fire Association. Panel members are H. W. Mullins, Rockford; Henry C. Klein, secretary of New York Underwriters, and Allen C. Guy, regional supervisor of Western Adjustment, Columbus, O.

The Western Underwriters Assn. film, "Introducing the Policyman," will be shown by Walter Dithmer, assistant manager.

## French Mission's Itinerary

The second French insurance mission, which arrived at New York Monday for a three-week study of American insurance, will visit a number of insurance companies and associations in the east and middle west.

Companies that will act as hosts to the mission are Washington National, Evanston, Ill.; State Farm companies, Bloomington, Ill.; Travelers, Connecticut General Life, Penn Mutual Life, Metropolitan Life, Prudential and Mutual Benefit Life.

Associations participating in the program are Institute of Life Insurance, Life Insurance Assn. of America, National Board of Fire Underwriters, Assn. of Casualty & Surety Companies, Insurance Society of New York, American Mutual Alliance, Life Insurance Agency

Management Assn., American College of Life Underwriters, American Institute for Property & Liability Underwriters, Life Office Management Assn. and National Assn. of Life Underwriters.

## F.I.A. Names Stevens and Lopaus in Eastern Changes

George A. Stevens has been appointed executive special agent in charge of Factory Insurance Assn.'s Pittsburgh office. H. R. Lopaus, special agent at Syracuse, is being transferred to Hartford as executive special agent in the nationwide department, replacing Mr. Stevens.

A graduate of Worcester Polytechnic Institute in 1934, Mr. Stevens joined F.I.A. that year as an inspector. For several years he handled field inspection work and was then located in Philadelphia. In 1938 he was transferred to Hartford as an underwriting supervisor. He was appointed executive special agent in 1950 and assisted in the supervision and handling of nationwide accounts in the broadened program department.

Mr. Lopaus joined F.I.A. in 1937 and spent several years in the underwriting department, later going into the field as an inspector. He returned to Hartford as an underwriting supervisor and in 1947 was appointed special agent at Syracuse.

## Krier Speaks at Beloit

Members of Beloit (Wis.) Insurance Underwriters Assn. were guests of Beloit Safety Council at a dinner meeting at which Urban Krier, executive secretary of Wisconsin Assn. of Insurance Agents, spoke on "Is Compulsory Auto Insurance the Answer?" Mr. Krier asserted that it is not the real answer since "it wouldn't reduce accidents." Instead, he advocated strengthening and stricter enforcement of existing financial responsibility and safety laws, and possibly adding a car impounding requirement. He blamed the present "terrifically high" auto insurance rates in Wisconsin on easy recovery of accident claims and high judgments in lawsuits. Mr. Krier called upon safety officials and insurance men to "cooperate in publicizing safety," since "laws alone cannot reduce the accident rate."

## Form Ia. C.P.C.U. Unit

Des Moines C.P.C.U. chapter has been formed there with Louis D. Burkhalter, Jr., of Cedar Rapids as president. Charles J. Smith, Allied agency, Des Moines, is vice-president, and L. W. Matthews of Witmer-Kaufman-Evans, Des Moines, secretary.

## Moves Philadelphia Unit

Pacific National Fire is moving its eastern department offices to new, enlarged quarters in the Pennsylvania suburban station building.

## Emery & Kaufman Anniversary

The Emery & Kaufman general agency of New Orleans is marking its 50th anniversary March 17 and a number of company men expect to be on hand for the occasion.

Three C.P.C.U. study groups have been set up by Portland (Ore.) Assn. of Insurance Agents. Each group meets three times a week.

Insurance Women of Lincoln, Neb. have named as delegates to the district 7 convention at Denver in March Mrs. Edna Miller, Harvey Rathbone Co., and Mrs. Beulah Julian, Stuart Investment agency.

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American College  
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Liability Under-  
management Assn.  
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## Stevens and Changes

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CIATES  
Kansas City, Mo.

## Underwriters Salvage, in Charge of Burned Store, Held Liable for Second Fire

A suit was filed by Davis & Shaw Furniture Co. of Denver in federal court there against Underwriters Salvage Co. of New York and Pinkerton's National Detective Agency, asking \$85,000 by reason of a fire to the warehouse of Davis & Shaw.

The complaint alleged that a fire had occurred on Aug. 3, 1948, partly destroying the building and merchandise; that thereafter Underwriters Salvage Co. entered into a contract with Davis & Shaw Furniture Co. to salvage the damaged furniture, and that Underwriters Salvage in turn employed Pinkerton's to watch the premises. Underwriters Salvage filed a cross-complaint against Pinkerton asking for a judgment over in the event Davis & Shaw recovered against it, claiming that Pinkerton had been hired to guard the premises against fire. Pinkerton's denied this, claiming that its contract was simply for the purpose of guarding the merchandise from theft.

On Aug. 14, 1948, a second fire occurred which completely destroyed the building and the suit was for damages by reason of this second fire, which it was claimed was caused by the negligence of the two defendants.

The case was tried without a jury and after written briefs had been filed, the trial court finally entered judgment in favor of Davis & Shaw Furniture Co. and against Underwriters Salvage Co. for \$51,937. Judgment was entered in favor of Pinkerton as against both Underwriters Salvage and Davis & Shaw.

Underwriters Salvage Co. has appealed the case and it is now pending before the circuit court of appeals, where oral arguments will be heard March 27.

The attorneys for Davis & Shaw Furniture Co. were Denious & Denious of Denver; for Underwriters Salvage Co., Pershing, Bosworth, Dick & Dawson of Denver, and for Pinkerton's National Detective Agency, Wolington & Wormwood.

Allyn M. Smith, president of the Tucker-Smith insurance, is general chairman of the annual fund drive of the Salvation Army at Albany, N. Y.

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## Destruction of Horse Without Insurer's Consent Falls Within Exclusion

Hartford Live Stock, by decision of the U. S. 5th court of appeals, has been absolved of liability under a \$20,000 mortality policy covering the male runner, Floral. The horse was destroyed by the owner without the consent of the insurer but the insured argued that the coverage obligates the insurer to act reasonably and with fairness in determining whether it shall consent to the destruction of the insured animal, and that instead Hartford acted arbitrarily. The case is *Wilson vs. Hartford Live Stock*, 7 CCH (Fire & Casualty) 725. The horse suffered a fracture of the left front coffin bone in a race at Stickney, Ill., Sept. 10, 1949. The horse was destroyed Oct. 22 in the presence of witnesses and Hartford was notified that this was done "for humane considerations because of incurable injury."

The court held that the evidence here would not authorize a recovery even under the theory of liability that was set forth in behalf of Sam E. Wilson, Jr., the owner. The facts would not authorize a jury to hold that Hartford acted arbitrarily in withholding its consent. Hartford proceeded to investigate through Melvin Timmons, its manager, and a disinterested veterinarian the extent of the injury. There was ground for and the existence of a bona fide dispute as to whether voluntary destruction of the horse was required by "humane considerations." The horse continued in good flesh with good appetite and was not destroyed until 42 days after the injury, and 22 days after refusal of Hartford to grant consent to such destruction, at a time less than one week prior to the expiration of the policy. The lower court had also given a decision for the insurer.

## Trash Burner Fire 'Friendly,' Ring Damage Not Covered

Damage to a ring that had accidentally found its way into a trash burner is not covered under a regular fire policy, the Kansas supreme court has held in *Youse vs. Employers Fire*. This was held to be a friendly fire. The case is reported in 7 CCH (Fire & Casualty) 735. Another company had a floater policy covering the ring to the extent of \$250. Claim was made under the fire policy for damage to the tune of \$900.

The insured's wife was carrying the ring wrapped in a handkerchief in her purse. When she got home she placed the handkerchief together with some Kleenex on her dresser. Later the maid inadvertently threw the whole smear into a wastebasket; later another servant dropped the contents into a trash burner and a week later the ring was found damaged to the extent of about \$900.

The supreme court said that when one purchases standard fire insurance he does so with the idea in mind of protecting himself from loss or damage resulting from what the law defines as a "hostile" fire and that the word "fire" as used in fire insurance policies, has in common parlance, such well understood meaning. The fire here in the trash burner was a "friendly" fire. The insured argued that the inadvertence of the servant in throwing the ring into the trash burner made the fire a "hostile" incident so far as the insured is concerned. On this point the court said that negligence or inadvertence of an insured or of an employee, of course, ordinarily would not bar recovery—provided the fire causing the loss or damage is what is known in law as a "hostile" fire. Here the loss was occasioned by fire but it was a "friendly" fire and under such circumstances no recovery may be had.

Maurice Rouble, supervising examiner of the California department, spoke before the newly organized Southern California Insurance Buyers Assn. at Los Angeles on the organization and work of the department.

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## NEWS OF FIELD MEN

### National Fire Names Field Men in Indiana, Missouri

National Fire has announced several changes in western department field supervision. Special Agent James F. Decker is being transferred to Indianapolis. Charles P. Falk has been appointed special agent in eastern Missouri to replace Mr. Decker, and Robert C. Hansen has been appointed special agent in northern Missouri.

Mr. Decker has been traveling eastern Missouri for two years. A graduate of Illinois Institute of Technology, he had three years' experience with Kentucky Inspection Bureau before joining National. He will have headquarters at Indianapolis.

Mr. Falk received his degree in engi-

neering from Marquette after navy service and has since been with Fire Insurance Rating Bureau of Wisconsin. His headquarters will be at St. Louis.

Robert C. Hansen, after air force service, completed his education at Beloit College and University of Wisconsin. He has been in training for a year and a half at the western department office. He will make his headquarters at Kansas City.

### R. J. Ciulla to Wis. Field

Richard J. Ciulla has been appointed special agent in northern Wisconsin for National Fire. He will have the field that was formerly handled by E. H. Lyons who now is assigned to casualty-surety work. Mr. Lyons has completed special casualty and surety training at

the home office in preparation for this assignment.

Mr. Ciulla served in the army and then attended University of Wisconsin. He has been receiving training in the western department of National at Chicago.

### Texas Field Men to Expand Education, PR Activities

More than 50 representatives of the four Texas field clubs at a meeting at Austin decided to expand their program of insurance education and devote more time to town inspections and the showing of fire prevention and insurance films. Three of the clubs, the Alamo, North Texas and West Texas groups, voted to drop the "Field Club" designation from their names in favor of a title which will more accurately describe their work. The name tentatively adopted is Texas Insurance Fieldmen's Assn., with each club becoming a division.

The club officers are studying a proposal to admit casualty men to the organization, and it was decided to add films dealing with traffic and other safety subjects to the club libraries as another step toward cooperation with casualty companies.

George Traver, public relations director of the National Board, complimented their field men for their contribution to the public relations effort, saying that the Texas clubs are among the most active in the country.

Among the guests was Walter Plangman, manager of Arkansas Inspection Bureau, and former director of public relations for Texas Insurance Advisory Assn. Mr. Plangman organized the Texas field clubs in 1948.

### W. N. Lowe Field Supervisor

William N. Lowe has been appointed field supervisor for Travelers Fire in the Chicago branch office territory. He succeeds Joseph M. Fern who is now on active duty with the navy. Mr. Lowe has completed his indoctrination program with Travelers Fire. He has had some five years' experience as representative for the Hardware Mutuals at Aurora, Ill., and vicinity.

### Plan Cincinnati Puddle

CINCINNATI — Organization of a Blue Goose puddle in this area was tentatively agreed upon at a luncheon meeting this week, with 30 ganders in attendance. Verne Hart, Cincinnati, Aetna Fire, was elected temporary chairman. A final organization meeting is planned for some time in April.

C. F. Eagle, Dayton, American, who is most loyal gander of the Ohio pond, attended. The puddle will include Dayton and surrounding territory.

### To Install New Tex. Puddle

Alamo Blue Goose voted to hold its March meeting at Harlingen, Tex., for formal installation of the Rio Grande Valley puddle and initiation of eight candidates.

Charles L. Beale of Dallas, most loyal grand gander, spoke of the coming meeting of the grand nest and the plan for Alamo pond to supply the initiation team.

### Natchitoches Is Inspected

Louisiana Field Men's Assn. conducted an inspection of Natchitoches over a four day period. Parker Wiggins of Springfield F. & M. handled the details. W. M. McFarland, assistant secretary of S.E.U.A., assisted. The field men were guests of Mayor Frank Keys at a chicken supper at the new Central fire station.

### CD Includes Fire Prevention

Fire prevention and control were discussed by Raymond L. Jennings, American, at teachers colleges at Mount Pleasant, Kalamazoo and Ypsilanti as part of the institutes for safety and civil defense coordinators at those cities re-

cently. Mr. Jennings is president of Michigan Fire Underwriters Assn. and is a past president of Michigan Fire Prevention Assn. The inclusion of fire prevention in the civil defense program, he feels, will have a wholesome effect.

### Mountain Field Setup of Phoenix Rearranged

At the request of Henry Schwartz, general agent of Phoenix of Hartford at Denver, State Agent Henry M. Howland is being transferred from Albuquerque to Denver, and will be more closely identified with the administration of business in the entire mountain field. Mr. Howland returned to Phoenix after five years in the military service and was transferred to Denver and then to Albuquerque.

Bill B. Johnson, who has been special agent for Colorado and Wyoming, is being assigned to Albuquerque.

### Strayer to North Dakota as Crum & Forster State Agent

Crum & Forster has transferred Norman F. Strayer, Jr., from Iowa to North Dakota as state agent succeeding M. J. Herod who has resigned to take charge of his clothing store at Thomas, Okla. Mr. Strayer will have headquarters at Fargo and will be assisted by Special Agent M. W. Seymour.

Mr. Strayer joined the company as a field man in Iowa, and before that traveled for another company and for three years was with Iowa Inspection Bureau.

### London Names Schneider

London Assurance has appointed Alexander R. Schneider state agent for eastern Pennsylvania with headquarters at Philadelphia.

A graduate of the University of Pennsylvania commerce school, he has been in insurance since 1935, except for 4½ years in service.

### Woods in Mountain Field

Russell G. Woods, Jr. has been appointed special agent of New Zealand and South British for Colorado and Wyoming. Mr. Woods, who has been with Mountain States Inspection Bureau for five years, succeeds Dale S. Smedley and will assist William G. Skul, state agent at Denver.

### Schimpf to Amarillo Post

Frank Schimpf, who has had local agency experience and has completed a company training course, has been appointed special agent of the Loyalty group in the Texas Panhandle, with headquarters at Amarillo.

### Heymann to Great American

Great American has appointed Roy D. Heymann, Jr., special agent to be associated with W. T. Bessant in the supervision of east central New York business. He will make his headquarters with Mr. Bessant at Syracuse. He has been with General of Seattle in upstate New York.

### Mountain Club Meets March 4

Because of a heavy snow, the Feb. 18 meeting of Mountain Insurance Field Club has been postponed to March 4 at Manchester, N. H. Ralph Gould of the safety division of New Hampshire motor vehicle department will replace Deputy Commissioner Sheldon of the New Hampshire department on the program.

### Advertising in Farm Field

Hartford Fire and America Fore are listed by Farm Publication Reports as having spent \$35,000 each in 1951 in 39 farm papers for advertising. They are the only fire and casualty companies listed as spending \$10,000 or more in these papers during last year.



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**CARGO** **COLLISION**



**REINSURANCE**

**FRANK BURNS**

**INC.**

STUART BUILDING  
SEATTLE, WASHINGTON



## Mich. Agents Hold Mid-Year Parley

(CONTINUED FROM PAGE 1)

years has been chairman of the Midwest Conference Committee, gave his annual report on committee activities, interspersed with his usual asides and admonitions. Mr. Carter was somewhat hampered at first in his talk in that he had broken a temple of his glasses and he had difficulty reading his notes.

The conference committee, he said, has followed in all its negotiations the idea of cooperation, conciliation and understanding. This is the theme that has made these meetings a success.

Recently the conference committee was instrumental in keeping the work and materials clause in the fire policy in the middle west. A filing for withdrawal had been put forth in Michigan and Kansas, and this was protested by the agents and the companies reversed their stand.

Mr. Carter referred to the installment premium payment plans as filed in Michigan as "the greatest piece of mischief ever filed in this state," and added they were filed without the conference committee consultation. He received a

round of applause for this statement. When the agents went to the companies protesting the filings, Mr. Carter said that the answer was that the companies didn't want it. Reserves are being set up wrongly under Michigan law when the installment plan is used, he said.

There has been some progress in multiple location rating, but there still is no good rating route for the risk wanting \$500,000 deductible coverage. Mr. Carter added, however, that such insurance, which is a mere promise to pay but excludes any safety and inspection service, does not fall within his idea of what constitutes insurance service.

He reported that the Michigan reinstatement of loss clause will read "any loss hereunder shall not reduce the amount of this policy."

Mr. Carter read his views on self-insurance from a letter he submitted to the New York chapter of National Insurance Buyers Assn., which is preparing a survey and report on this subject. He stressed, among other things, the safety and loss prevention services of

insurers and savings on these services that are obtained through the insurance contract. The tax laws don't contemplate the self-insurance advantage, he said, and if the practice were widespread he predicted that there would be a change in the law to take it into account.

Carl Strong, coordinator of insurance education at Michigan State College, reviewed briefly the educational services available to the agents in the state. The program was started by the association, Mr. Strong said. At Michigan State a program has been set up under which four courses are given, one for the neophyte, another for office girls, another on agency management and a fourth advanced course on sales and for additional knowledge.

The main program speaker the first morning was Joseph F. Leopold of Dallas, a tax attorney and representative of

National Tax Equality Assn., who expressed some strong views on the tax differential accorded mutual insurers.

That afternoon there was a session on multiple peril policies conducted by the Michigan chapter of C.P.C.U.

The banquet was featured by an absence of speakers. The only formalities were the introduction of those at the head table and a few words of greeting from Commissioner Joseph A. Navarre. The rest of the time was devoted to entertainment and dancing.

### AUTO PROBLEMS

Automobile insurance discussions occupied practically all of the second morning. After a good deal of talk on this subject at the agents' business session, a gloomy forecast was given by J. R. McWilliams, assistant manager of

AN AGENCY IS JUDGED BY THE COMPANY IT KEEPS

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Chicago Dallas Los Angeles New York Portland  
Raleigh Salt Lake City San Francisco Vancouver, Canada



Pictured at the midyear convention of Michigan Assn. of Insurance Agents at Detroit: At the top, the C.P.C.U. group that talked on multiple line policies, from the left—Wallace G. Lutz, Brumberg Bros. agency, Detroit; L. R. Christman, executive secretary of Standard Accident; Miss Ella Rachel Lyons, E. B. Lyons agency of Detroit; Don A. Tocum, Planet, and Henry P. Carmichael, Citizens Mutual Automobile of Howell, Mich. At the bottom are some of the dignitaries at the banquet: Commissioner Joseph A. Navarre of Michigan; Merrill G. Craft, Jackson, president of the Michigan association, and J. Grant Moore, Port Huron, vice-president.

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National Bureau of Casualty Underwriters.

The stock casualty companies will show a \$100 million underwriting loss for 1951, Mr. McWilliams stated. This takes in all lines. Automobile experience will not be known until the figures are received in volume beginning March 1. However, for 1952 the outlook is very gloomy. The company executives are still feeling the pinch, and the only direction for the rate structure to go is up.

The 1951 rate revision was flat, being an emergency situation, but in 1952 revisions will be on a territorial basis, Mr. McWilliams said. The early estimates are for higher rates in many areas.

The reinsurers have a big problem, and Mr. McWilliams said there are grave doubts by many of the reinsurance companies that the excess limits rate increase granted Feb. 4 will be sufficient.

Young drivers are still under study, but it will be difficult to do anything for this group as long as the class as a whole continues to produce a high loss ratio. Detroit, he said, has the lowest

B.I. and P.D. rates of any city of comparable size.

Stuart W. Doty, Grand Ledge, chairman of the public relations planning committee, touched off the automobile discussions at the agents' session by urging promotion of driver training in the hope that improved risks will produce a rate credit. If driver training graduates are given a rate break of \$15 or \$20, this will get all the parents behind the program, Mr. Doty pointed out. The agents thought enough of the idea to send it back to Mr. Doty's committee for some sort of organization.

Mr. Doty brought up also the problem of speedier handling of assigned risks for service men. One of the agents argued that commissions on assigned risk business are too low, and there is no incentive for putting the risks through. The agents get 7½% for this business in Michigan. Mr. Doty answered that perhaps this should be considered a public relations activity. The suggestion was made that perhaps 7½% would be all right if there were a \$5 service fee attached. Mr. Hildebrand explained that

the commission formerly was 10% but it was cut to 7½% to put a halt to the activities of two agents who were soliciting assigned risk business. He suggested that perhaps the companies allow 10% for the first 20 applications, and then cut to 7½% or even to 5% so that there would be no possibility of the business being attractive from a volume standpoint.

The agents after considerable discussion voted to hold the annual convention in September at Grand Rapids. Previously, it had been scheduled for the Grand hotel at Mackinac Island. However, it was brought out that while the attendance at this meeting was fairly good last year, the atmosphere at Mackinac is not conducive to work, especially with a golf course right outside the window. Grand Rapids, which does not offer these scenic attractions, was deemed more amenable to holding audiences at the sessions and getting business accomplished.

The luncheon which closed the meeting was given in honor of the past presidents and about 12 were on hand.

The speaker for this affair was Charles R. Sligh, Jr., of Holland, Mich., regional vice-president of National Assn. of Manufacturers. Mr. Sligh's topic was federal economy, and he pursued his subject ably and vigorously. He was introduced by James M. Crosby, Jr., Grand Rapids, president of the Michigan association in 1937.

## Michigan Notes

As usual, there were numerous company headquarters, and there was a lack of refreshments or of places to get them. There was an innovation this time in the form of a printed room directory that was put out by the Detroit association and listed the room numbers of all those who had registered at the convention up to the start of the first session. It was thus a good deal easier for the conventioners to get from one company room to another with the least amount of delay or inconvenience.

In charge for Crum & Forster were Max Vaughan, C. C. Ippenplatz and C. A. Charter, state agents, assisted by Earl Putnam, who joins the company as special agent as of April 1. He has been with Michigan Inspection Bureau, with Crum & Forster, he will assist Mr. Ippenplatz in the Detroit territory.

The North American contingent which included the entire Michigan field staff, was headed by Arthur Eliason, manager of the fire company and H. E. Mowrey, manager of the indemnity company.

On hand for National Fire were Frank Greene, Wayne county manager, and John Borg and Donald Knief, who handle the balance of the state, and E. E. Humphrey, agency superintendent from the western department at Chicago.

Holding forth for Wolverine were R. Gordon Eason, vice-president; Harold Moore, vice-president in charge of automobile sales; James Grant, Detroit manager, and Howard Linkfield, Mac Keown, William Traver and Robert Eady, special agents.

George Bortz, resident vice-president, headed the Fidelity & Deposit group, which included C. A. Keith, Detroit manager; Joseph Russell, assistant manager; William Strobridge, assistant manager; John E. McCrehan, Grand Rapids manager, and special agents Tenny Flake, Joseph Schadler, C. R. Michael, and J. A. Webber.

Representing the Maryland Casualty were John Keller, resident vice-president; Donald Aldinger, production manager, and Walter Gerick and David Steward, special agents.

A. O. Robinson, United States manager, and C. B. Herrick state agent, were on hand for the Yorkshire group.

The Zurich contingent included Robert D. Hodson, assistant U. S. manager; Albert Maas, Detroit manager, and Fred Oliver, Detroit superintendent of agents.

The London & Lancashire group was represented by Charles E. Dox, western manager; Carl Nelson, agency superintendent, and William H. Moeller, Walter A. Schmuck, Mack Frazier, Jess Willard and Harold McPhee of Michigan field.

Fred P. Dreesch, Wayne county state agent of Royal Liverpool group was making his farewells as a field man. He is resigning March 1 to become vice-president of G. & M. Underwriters in the Buhl building, Detroit.

## Revive Me. Agents' Bulletin

The agency bulletin of Maine Assn. of Insurance Agents has been revived with Isabel M. McGee, the new executive secretary, as editor. An editorial in its current issue condemns competitive commission increases and voices association opposition to installment plans.

## Cite Insurer in VA Report

WASHINGTON — A general accounting office survey of the veterans on-the-job training program in operation, cited the case of an unnamed insurance company said to have paid "a comparable non-veteran more than the veteran in training. In other words, said an official report, "The VA subsistence payment (to the veteran) operated to subsidize the employer."

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## Notes

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## 1951 Company Results Given

(CONTINUED FROM PAGE 1)

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred
Unearned prem., \$4,442,048.			\$10,584,987.	Surplus, \$12,498,142, incr., \$925,161.
decr., \$165,492.				
Auto liability.....	2,817,742	2,102,326	Auto liability.....	4,357,108 1,941,841
Auto prop. damage.....	1,518,746	1,243,152	Auto prop. damage.....	3,599,647 2,915,719
Auto phys. damage.....	4,169,520	2,068,547	Auto phys. damage.....	11,359,205 5,968,090
Auto Medical.....	502,759	197,222	Med. Reimb.....	1,024,717 496,490
Totals.....	9,008,767	5,611,247	Totals.....	20,340,678 11,322,141
<b>Citizens Fund Mut. Fire, Minn.—Assets,</b>			<b>Dixie F. &amp; C.—Assets,</b>	
\$327,405, incr., \$92,439.			600, Loss res., \$42,778.	Unearned prem., \$231,966.
Unearned prem., \$343,335.			Capital, \$360,000.	Surplus, \$502,558,
decr., \$24,587.			decr., \$58,688.	
Fire.....	467,689	200,124	Fire.....	16,736 6,482
Ext. coverage.....	194,662	84,533	Ext. coverage.....	3,897 280
Torn, wind, hail.....	964	51	Torn, wind, hail.....	11
Inland marine.....	85,674	20,583	Sprinkler & water dam.....	11
Aircraft phys. damage.....	15,973	5,454	Liability (not auto).....	3,044 1,674
Auto phys. damage.....	50,446	22,182	Auto liability.....	38,429 21,440
Excess of Loss.....	26,560	18,813	Auto prop. damage.....	23,811 17,034
Totals.....	788,848	354,741	Auto phys. damage.....	41,321 11,622
<b>Combined, Ill.—Assets,</b>			<b>Glass.....</b>	
\$353,062, Loss res., \$645,613.			Burglary & theft.....	1,898 424
Unearned prem., \$1,727,122.			Auto Accident.....	1,011 377
Capital, \$200,000.			Auto Med.....	3,463 3,623
decr., \$45,796.			Excess Loss.....	4,466 3,899
Accident.....	3,950,496	1,432,540	Totals.....	139,093 67,251
Health.....	552,305	230,897	<b>Economy Auto, Ill.—Assets,</b>	
A & H.....	131,929	49,298	\$482,754, Loss res., \$668,808.	Unearned prem.,
Non-Can. A. & H.....	10,711	2,572	\$1,364,268.	Capital, \$400,000.
Hospital.....	2,441,464	1,129,190	Surplus, \$1,845,735, incr., \$219,839.	
Total.....	7,086,905	2,844,497	Accident.....	2,057
<b>Comm. Standard—Assets,</b>			Liability (not auto).....	8,365 5,005
\$1,340,573, Loss res., \$1,971,338.			Auto liability.....	772,128 334,827
Unearned prem., \$3,976,682.			Auto prop. damage.....	570,231 254,611
Capital, \$1,000,000.			Auto phys. damage.....	1,063,662 389,200
decr., \$176,312.			Prop. dam. (not auto).....	2,900 922
Fire.....	384,290	177,159	Glass.....	126 56
Ext. coverage.....	229,845	122,843	Auto Medical.....	110,444 59,296
Torn, wind, hail.....	1,523	526	Other Medical.....	3,463 2,283
Sprinkler & water dam.....	963	112	Totals.....	2,533,376 1,046,400
Expl. riot, civil comm.....	158		<b>Emmco Cas.—Assets,</b>	
Earthquake.....	154,498	66,497	\$5,656,924, incr., \$3,011,764.	Loss res., \$732,601.
Inland marine.....	1,516,815	859,055	Unearned prem.,	\$2,786,664.
Workmen's comp.....	248,407	23,901	Capital, \$450,000.	Surplus, \$1,567,333, incr., \$484,724.
Liability (not auto).....	1,604,359	726,380	Workmen's comp.....	962
Auto liability.....	884,306	497,976	Liability (not auto).....	1,300
Auto prop. damage.....	1,853,169	924,663	Auto liability.....	—16,716
Auto phys. damage.....	57,212	57,212	Auto prop. damage.....	—861
Prop. dam. (not auto).....	8,452		Auto phys. damage.....	3,528,124 2,137,737
Fidelity.....	61,748	8,452	Prop. dam. (not auto).....	—400
Surety.....	169,601	112,668	Fidelity.....	—150
Glass.....	61,713	33,033	Glass.....	—50
Burglary & theft.....	61,326	28,446	Hospitalization.....	46,559 45,170
Title.....	257,722	6,661	Totals.....	3,574,683 2,166,992
Totals.....	7,619,171	3,646,586	<b>Emmco Ins. Co.—Assets,</b>	
<b>Comm. Travelers, N. Y.—Assets,</b>			\$27,255,057, decr.,	\$1,029,167.
\$8,480,487, Loss res., \$1,631,427.			Unearned prem.,	\$1,873,054.
Unearned prem., \$1,469,732.			Capital, \$1,200,000.	Surplus,
decr., \$102,018.			\$6,810,830, decr., \$233,394.	
A & H.....	5,363,426	3,917,241	Ext. Coverage.....	32
<b>Consolidated Underwriters—Assets,</b>			Auto phys. damage.....	16,151,007 9,479,514
\$3,377,311, incr., \$153,310.			Totals.....	16,151,007 9,479,514
Unearned prem., \$1,420,564.			<b>Employers, Ala.—Assets,</b>	
Capital, \$3,463,796, decr., \$79,380.			\$2,544,781, incr.,	\$110,615.
Workmen's comp.....	4,043,325	2,431,249	Loss res., \$739,761.	Unearned prem.,
Liability (not auto).....	211,603	42,195	\$882,935.	Capital, \$306,150.
Auto liability.....	986,698	611,580	Surplus, \$770,028,	incr., \$21,218.
Auto prop. damage.....	431,209	269,502	Fire.....	1,721 754
Auto phys. damage.....	966,922	414,176	Ext. coverage.....	438 —60
Prop. dam. (not auto).....	62,373	39,711	Workmen's comp.....	1,181,643 714,002
Totals.....	6,702,130	3,808,413	Liability (not auto).....	80,132 11,021
<b>Constitution, N. Y.—Assets,</b>			Auto liability.....	461,699 188,769
\$4,030,577, incr., \$158,325.			Auto prop. damage.....	259,338 124,131
Loss res., \$200,775.			Auto phys. damage.....	151,836 46,437
Unearned prem., \$2,173,115.			Prop. dam. (not auto).....	45,442 24,792
Capital, \$500,000.			Fidelity.....	1,323 —615
Surplus, \$1,380,549, incr., \$186,927.			Surety.....	844
Fire.....	1,641,021	559,134	Glass.....	12,254 5,409
Ext. coverage.....	251,625	115,430	Burglary & theft.....	8,043 904
Torn, wind, hail.....	15,528	21,884	Auto Collision.....	282,413 105,664
Sprinkler & water dam.....	3,247	784	Totals.....	2,487,126 1,220,258
Expl. riot, civil comm.....	583	2,375	<b>Employers Mut. Cas. Ia.—Assets,</b>	
Earthquake.....	557		\$23,763, 181, incr., \$2,061,789.	Loss res., \$8,889,125.
Crop-hall.....	18,281	12,157	Unearned prem.,	\$7,128,541.
Ocean marine.....	10,374	8,000	Capital, \$5,341,450, incr., \$138,984.	
Inland marine.....	8,017	7,731	Fire.....	236,930 72,433
Auto phys. damage.....	1,892	—108	Ext. coverage.....	39,597 14,912
Flood.....	113		Sprinkler & water dam.....	7,711 2,527
Totals.....	1,951,238	727,387	Expl. riot, civil comm.....	141 1
<b>Continental F. &amp; C.—Assets,</b>			Earthquake.....	140
\$1,140,089, incr., \$237,076.			Inland marine.....	2,081 295
Loss res., \$105,051.			Accident.....	32,002 2,942
Unearned prem., \$385,784.			Health.....	80,296 35,572
Capital, \$250,000.			Workmen's comp.....	4,846,940 2,429,892
Surplus, \$801,468, incr., \$4,166.			Liability (not auto).....	853,076 237,783
Fire.....	63,764	31,898	Auto liability.....	3,865,933 2,286,729
Ext. coverage.....	74,757	6,062	Auto prop. damage.....	2,352,997 1,632,728
Torn, wind, hail.....	628	22	Auto phys. damage.....	3,785,678 1,798,955
Inland marine.....	1,559	662	Prop. dam. (not auto).....	241,007 103,125
Workmen's comp.....	36,226	32,977	Fidelity.....	29,573 32,283
Liability (not auto).....	8,709	5,456	Surety.....	156,439 196,756
Auto liability.....	87,230	35,160	Glass.....	88,592 45,031
Auto prop. damage.....	49,328	43,068	Burglary & theft.....	158,651 64,202
Auto phys. damage.....	109,221	63,650	Totals.....	16,778,019 8,955,363
Prop. dam. (not auto).....	24,276	555	<b>Employers Reins.—Assets,</b>	
Glass.....	2,201	984	\$51,846,482, incr.,	\$2,110,310.
Burglary & theft.....	4,341	1,233	Loss res., \$29,335,636.	Unearned
Totals.....	462,244	221,757		
<b>Detroit Auto—Assets,</b>				
\$34,768,006, incr., \$2,782,321.				
Loss res., \$6,299,897.				
Unearned prem.,				

	Premiums Earned	Losses Incurred	Premiums Earned	Losses Incurred
prem., \$9,525,125.			Auto phys. damage.....	79,885 94,440
plus, \$7,067,550, decr., \$5,041,693.			Prop. dam. (not auto).....	223,358 199,613
Fire.....	1,293,652	553,120	Fidelity.....	865,069 349,837
Ext. coverage.....	338,395	215,687	Surety.....	2,868,328 1,079,787
Torn, wind, hail.....	15,031	8,247	Glass.....	20,473 22,417
Sprinkler & water dam.....	475	184	Burglary & theft.....	471,540 76,718
Expl. riot, civil comm.....	1,826	298	Boiler & machinery.....	62,958 4,934
Earthquake.....	9,948		Credit.....	738,599 132,608
Inland marine.....	93,609	45,094	Totals.....	20,589,245 19,364,253
Aircraft phys. damage.....	35,283	5,185	<b>Erie Ex.—Assets,</b>	
Accident.....	682,340	168,183	\$4,395,037, incr.,	\$771,796.
Health.....	233,733	80,030	Loss res., \$1,217,115.	Unearned prem., \$1,371,714.
Group A. & H.....	81,120	42,853	Capital, \$1,476,558, incr.,	\$105,275.
Non-Can. A. & H.....	69,297	1,984	Surplus, \$1,094,551,	
Workmen's comp.....	2,522,299	3,385,601	Ext. coverage.....	24,612 19,100
Liability (not auto).....	1,409,940	2,175,349	Inland marine.....	9,275 261
Auto liability.....	7,759,580	10,498,258	Liability (not auto).....	10,828 4,787
Auto prop. damage.....	712,527	113,970	Auto liability.....	1,135,762 517,489
			Auto prop. damage.....	847,175 593,234



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Premiums		Losses		Premiums		Losses		Premiums		Losses		Premiums		Losses									
Earned	Incurred	Earned	Incurred	Earned	Incurred	Earned	Incurred	Earned	Incurred	Earned	Incurred	Earned	Incurred	Earned	Incurred								
<b>Auto phys. damage.....</b>																							
1,293,123	696,050			12,908	1,523			<b>Franklin Natl. N. Y.—Assets, \$8,808,657, Incr., \$1,798,960. Loss res., \$607,344. Unearned prem., \$2,891,969. Capital, \$1,500,000. Surplus, \$5,046,820, Incr., \$30,690.</b>				Ext. coverage.....	139,852	31,340									
Medical Payments.....	152,009	82,702		12,103	2,256							Torn. wind, hail.....	6,724	1,710									
Totals.....	3,582,239	1,824,567		292,757	192,969							Sprinkler & water dam.....	1,200	30									
<b>Excelsior, N. Y.—Assets, \$2,057,484, Incr., \$22,809. Loss res., \$68,916. Unearned prem., \$847,197. Capital, \$600,000. Surplus, \$466,297, Incr., \$25,566.</b>																					Catastrophe.....	—12,176	9,160
Fire.....	395,284	143,901		236,702	157,533							Excess of loss.....	—25,064	1,910									
Ext. coverage.....	71,869	36,611		483,621	223,118							Quota share.....	—138,753	—54,700									
Torn. wind, hail.....	317	—		1,022,149	588,139							Unknown.....	—3,900	—									
Sprinkler & water dam.....	745	—										Totals.....	560,406	271,101									
Expl. riot, civil comm.....	20	—		<b>Farmers Fire, Pa.—Assets, \$4,835,341, Incr., \$220,758. Loss res., \$310,312. Unearned prem., \$2,241,993. Surplus, \$2,166,829, Incr., \$38,688.</b>																			
Earthquake.....	123	—		1,388,826	696,778							<b>Halifax —Assets, \$2,699,325, Incr., \$28,692. Loss res., \$263,735. Unearned prem., \$932,778. Capital, \$500,000. Surplus, \$1,349,437, Incr., \$19,731.</b>											
Inland marine.....	14,193	425		24,600	128,977							Ext. coverage.....	519,485	236,301									
Auto phys. damage.....	287,104	145,836		10,924	5,820							Torn. wind, hail.....	149,208	42,291									
Totals.....	769,677	326,327		4,532	447							Sprinkler & water dam.....	676	1,801									
<b>Export, N. Y.—Assets, \$2,141,375, Incr., \$181,360. Loss res., \$36,510. Unearned prem., \$251,534. Capital, \$500,000. Surplus, \$1,514,523, Incr., \$140,233.</b>																					Expl. riot, civil comm.....	808	701
Fire.....	46,781	19,357		2,336	171							Earthquake.....	3,832	84									
Ext. coverage.....	9,271	8,917		2,214	—							Ocean marine.....	44,733	46,120									
Torn. wind, hail.....	395	756		17	—							Inland marine.....	41,106	28,181									
Sprinkler & water dam.....	35	233		1,656,636	827,143							Auto phys. damage.....	46,414	32,372									
Expl. riot, civil comm.....	717	—										Totals.....	814,485	388,973									
Ocean marine.....	78,825	6,002		<b>First Natl. Wash.—Assets, \$12,580,188, Incr., \$3,593,207. Loss res., \$342,331. Unearned prem., \$6,127,655. Capital, \$1,000,000. Surplus, \$5,585,049, Incr., \$3,109,094.</b>																			
Inland marine.....	303,034	477		2,941,835	959,821							<b>Hardware Mut. Cas.—Assets, \$48,523,530, Incr., \$3,703,709. Loss res., \$20,138,714. Unearned prem., \$13,512,233. Capital, \$1,600,000. Surplus, \$6,557,994, decr., \$247,211.</b>											
Totals.....	439,014	34,796		1,184,237	724,607							Accident.....	67,283	29,140									
<b>Farm Bureau Mut. Fire, O.—Assets, \$10,213,670, Incr., \$1,326,912. Loss res., \$558,430. Unearned prem., \$5,859,126. Capital, \$325,000. Surplus, \$2,151,491, decr., \$157,567.</b>																					Health.....	762,841	637,581
Fire.....	2,341,076	765,494		2,941,835	959,821							Group A. & H.....	4,175,531	3,804,406									
Ext. coverage.....	700,100	299,825		1,184,237	724,607							Workmen's comp.....	10,154,126	5,698,596									
Torn. wind, hail.....	17,240	—1,089		2,941,835	959,821							Liability (not auto).....	1,502,178	663,601									
Sprinkler & water dam.....	35	233		2,941,835	959,821							Auto liability.....	10,847,941	5,155,740									
Expl. riot, civil comm.....	717	—		2,941,835	959,821							Auto prop. damage.....	5,357,191	3,507,584									
Ocean marine.....	78,825	6,002		2,941,835	959,821							Auto phys. damage.....	7,590,825	3,146,358									
Inland marine.....	303,034	477		2,941,835	959,821							Prop. dam. (not auto).....	456,789	256,780									
Totals.....	439,014	34,796		2,941,835	959,821							Glass.....	417,634	296,924									
<b>Farm Bureau Mut. Fire, O.—Assets, \$10,213,670, Incr., \$1,326,912. Loss res., \$558,430. Unearned prem., \$5,859,126. Capital, \$325,000. Surplus, \$2,151,491, decr., \$157,567.</b>																					Burglary & theft.....	356,907	176,378
Fire.....	2,341,076	765,494		2,941,835	959,821							Excess Reins.....	42,577	37,126									
Ext. coverage.....	700,100	299,825		2,941,835	959,821							Totals.....	41,784,580	23,756,180									
Torn. wind, hail.....	17,240	—1,089		2,941,835	959,821							<b>Highway, Tex.—Assets, \$2,101,435, decr., \$187,250. Loss res., \$852,220. Unearned prem., \$691,416. Surplus, \$381,249, decr., \$70,510.</b>											
Sprinkler & water dam.....	35	233		2,941,835	959,821																		
Expl. riot, civil comm.....	717	—		2,941,835	959,821																		
Ocean marine.....	78,825	6,002		2,941,835	959,821																		
Inland marine.....	303,034	477		2,941,835	959,821																		
Totals.....	439,014	34,796		2,941,835	959,821																		
<b>Farmers Cas., Inc.—Assets, \$1,391,812, Incr., \$130,563. Loss res., \$244,788. Unearned prem., \$692,306. Surplus, \$419,901, Incr., \$12,545.</b>																							
Fire.....	54,164	10,736		2,941,835	959,821																		
<b>Franklin Natl. N. Y.—Assets, \$8,808,657, Incr., \$1,798,960. Loss res., \$607,344. Unearned prem., \$2,891,969. Capital, \$1,500,000. Surplus, \$5,046,820, Incr., \$30,690.</b>																							
Fire.....	1,287,210	555,331		2,941,835	959,821																		
Ext. coverage.....	272,744	120,349		2,941,835	959,821																		
Torn. wind, hail.....	14,607	19,157		2,941,835	959,821																		
Sprinkler & water dam.....	4,781	825		2,941,835	959,821																		
Earthquake.....	12,668	6,628		2,941,835	959,821																		
Ocean marine.....	31,090	22,262		2,941,835	959,821																		
Inland marine.....	161,405	85,095		2,941,835	959,821																		
Aircraft phys. damage.....	6,028	2,101		2,941,835	959,821																		
Accident.....	2,637	1,039		2,941,835	959,821																		
Health.....	98	34		2,941,835	959,821																		
Group A. & H.....	11	11		2,941,835	959,821																		
Workmen's comp.....	33,057	28,268		2,941,835	959,821																		
Liability (not auto).....	37,502	19,117		2,941,835	959,821																		
Auto liability.....	169,181	111,274		2,941,835	959,821																		
Auto prop. damage.....	84,192	66,995		2,941,835	959,821																		
Auto phys. damage.....	468,553	221,685		2,941,835	959,821																		
Prop. dam. (not auto).....	6,369	4,196		2,941,835	959,821																		
Fidelity.....	4,085	1,798		2,941,835	959,821																		
Surety.....	16,114	10,114		2,941,835	959,821																		
Glass.....	5,431	2,658		2,941,835	959,821																		
Burglary & theft.....	10,839	4,246		2,941,835	959,821																		
Totals.....	2,618,625	1,284,891		2,941,835	959,821																		
<b>Freeport Motor Cas.—Assets, \$5,771,794, Incr., \$488,776. Loss res., \$790,457. Unearned prem., \$345,748. Capital, \$307,530. Surplus, \$2,441,594, Incr., \$140,321.</b>																							
Fire.....	68,302	7,601		2,941,835	959,821																		
Auto liability.....	992,526	441,148		2,941,835	959,821																		
Auto prop. damage.....	689,726	309,397		2,941,835	959,821																		
Auto phys. damage.....	1,401,228	511,681		2,941,835	959,821																		
Prop. dam. (not auto).....	16,095	6,964		2,941,835	959,821																		
Auto Medical.....	165,207	69,824		2,941,835	959,821																		
Other Medical.....	21,101	9,778		2,941,835	959,821																		
Totals.....	3,354,188	1,356,397		2,941,835	959,821																		
<b>General—Assets, \$78,975,927, Incr., \$10,563,539. Loss res., \$4,000,216. Unearned prem., \$345,748. Capital, \$1,265,000. Surplus, \$53,151,602, Incr., \$4,850,390.</b>																							
Fire.....	16,714,677	5,692,840		2,941,835	959,821																		
Ext. coverage.....	4,373,185	2,132,349		2,941,835	959,821																		
Torn. wind, hail.....	68,794	12,238		2,941,835	959,821																		
Sprinkler & water dam.....	34,743	5,481		2,941,835	959,821																		
Earthquake.....	2,777	—1,613		2,941,835	959,821																		
Ocean marine.....	249,930	189		2,941,835	959,821																		
Inland marine.....	2,132,700	1,028,236		2,941,835	959,821																		
Auto phys. damage.....	9,895,293	4,234,147		2,941,835	959,821																		
Fidelity.....	198	—5,000		2,941,835	959,821																		
Glass.....	37,674	1,618		2,941,835	959,821																		
Burglary & theft.....	1,886	262		2,941,835	959,821																		
Totals.....	33,882,488	13,293,119		2,941,835	959,821																		
<b>Gen., Wash.—Assets, \$34,688,738, Incr., \$6,283,025. Loss res., \$9,031,303. Unearned prem., \$12,480,401. Capital, \$1,200,000. Surplus, \$9,332,885, Incr., \$3,304,481.</b>																							
Workmen's comp.....	293,595	178,058		2,941,835	959,821																		
Liability (not auto).....	2,773,408	978,474		2,941,835	959,821																		
Auto liability.....	9,058,500	4,728,839		2,941,835	959,821																		
Auto prop. damage.....	5,073,597	3,006,713		2,941,835	959,821																		
Auto phys. damage.....	52,004	10,467		2,941,835	959,821																		
Prop. dam. (not auto).....	811,623	352,142		2,941,835	959,821																		
Burglary & theft.....	926	—		2,941,835	959,821																		
Totals.....	1,115,914	614,240		2,941,835	959,821																		
<b>General Bonding, Okla.—Assets, \$1,167,086, Incr., \$210,422. Loss res., \$178,237. Unearned prem., \$589,064. Capital, \$203,520. Surplus, \$354,057, Incr., \$15,200.</b>																							
Workmen's comp.....	132,541	100,096		2,941,835	959,821																		
Liability (not auto).....	25,210	7,130		2,941,835	959,821																		
Auto liability.....	203,295	118,224		2,941,835	959,821																		
Auto prop. damage.....	114,188	92,277		2,941,835	959,821																		
Auto phys. damage.....	630,805	292,944		2,941,835	959,821																		
Prop. dam. (not auto).....	8,882	2,841		2,941,835	959,821																		
Burglary & theft.....	926	—		2,941,835	959,821																		
Totals.....	1,115,914	614,240		2,941,835	959,821																		



Losses Incurred	Premiums Earned	Losses Incurred
Unearned prem., \$913,924. Surplus, \$1,504,437, incr.		
Unearned prem., \$356,364. Group A. & H. 39,976 14,281		
Workmen's comp. 1,679,672 886,693		
Liability (not auto) 184,469 70,256		
Auto liability 1,099,391 524,385		
Auto prop. damage 412,450 112,831		
Auto phys. damage 55,536 25,932		
Prop. dam. (not auto) 7,715 3,196		
Totals 3,479,209 1,637,544		
International Service—Assets \$2,760,593, incr.		
Unearned prem., \$244,451. Unearned prem., \$1,185,178. Capital, \$450,000. Surplus, \$951,416, incr., \$469,634.		
Fire 19,609 3,494		
Ext. coverage 6,026 1,696		
Exp. riot, civil comm. 57		
Inland marine 344		
Ocean marine 7,938 1,695		
Workmen's comp. 197,923 126,028		
Liability (not auto) 12,000 3,434		
Auto liability 190,330 132,071		
Auto prop. damage 952,280 497,492		
Auto phys. damage 3,950 1,196		
Prop. dam. (not auto) 3,111 1,937		
Class 720 281		
Burglary & theft 724 102		
Personal property floater 35		
Marine 1		
Totals 1,688,436 948,585		
Inter-Ocean—Assets, \$4,673,415, incr., \$511,411. Loss res., \$387,589. Capital, \$500,000. Surplus, \$1,975,000, incr., \$41,094.		
A. & H. 6,188,576 3,384,730		
Inter-Ocean Reins.—Assets, \$11,126,742, incr., \$1,378,447. Loss res., \$1,057,778. Unearned prem., \$5,828,975. Capital, \$1,000,000. Surplus, \$3,310,554, incr., \$319,450.		
Fire 3,940,403 1,575,544		
Ext. coverage 841,896 318,312		
Exp. riot, civil comm. 47,867 26,192		
Marine 5,590 2,890		
Sprinkler & water dam. 2,337 367		
Exp. riot, civil comm. 15,158		
Exp. riot, civil comm. 413,184 270,438		
Ocean marine 122,394 100,952		
Inland marine 178,769 92,477		
Aircraft phys. damage 1,773		
Auto phys. damage 98,293 110,405		
Totals 5,667,663 2,497,517		
Inter-State, In.—Assets, \$1,259,128, incr., \$115,531. Loss res., \$129,552. Unearned prem., \$282,522. Surplus, \$787,795, incr., \$47,614.		
Accident 298,535 104,633		
Health 647,429 308,648		
Group A. & H. 37,330 25,834		
Totals 983,114 439,115		
Hardware Mut.—Assets, \$2,121,502, incr., \$191,897. Loss res., \$241,344. Unearned prem., \$401,431. Surplus, \$783,432, incr., \$28,960.		
Interstate Mut., N. Y.—Assets, \$4,498,200, incr., \$498,573. Loss res., \$2,015,845. Unearned prem., \$928,071. Voluntary res., \$100,000. Surplus, \$726,367, incr., \$54,876.		
E. Y. Dia. Ben. 39,728 15,649		
Workmen's comp. 1,472,770 806,531		
Liability (not auto) 107,119 26,159		
Auto liability 760,132 308,336		
Auto prop. damage 344,519 173,037		
Auto phys. damage 19,399 4,261		
Prop. dam. (not auto) 16,978 3,034		
Totals 2,760,645 1,337,007		
Kansas City F. & M.—Assets, \$7,981,056, incr., \$1,132,418. Loss res., \$376,599. Unearned prem., \$2,808,993. Capital, \$1,000,000. Surplus, \$2,780,945, incr., \$118,783.		
Fire 259,570 168,210		
Ext. coverage 108,801 89,996		
Torn. wind, hail. 4,023 2,616		
Sprinkler & water dam. 1,920 1,361		
Exp. riot, civil comm. 1,681 153		
Earthquake 1,076		
Inland marine 86,782 42,727		
Liability (not auto) 8,416 3,518		
Auto liability 160,932 81,047		
Auto prop. damage 95,534 69,674		
Auto phys. damage 1,958,863 1,107,526		
Prop. dam. (not auto) 1,551 398		
Class 1,731 471		
Burglary & theft 3,246 1,318		
Aircraft & veh. P.D. 3		
Totals 2,794,129 1,568,815		
Kemba Mut., O.—Assets, \$671,410, incr., \$12,826. Loss res., \$77,635. Surplus, \$585,660, incr., \$27,843.		
Group A. & H. 513,040 481,716		
Ky. Lloyds—Assets, \$2,257,084, incr., \$204,401. Loss res., \$252,395. Unearned prem., \$1,041,803. Surplus, \$683,822, incr., \$36,822.		
Fire 630,237 211,500		
Coll. Collapse 26,825		
Inland marine 53,818 16,609		
Health & Accident 13,856 10,990		
Workmen's comp. 149,286 20,771		
Liability (not auto) 42,151 245		
Auto liability 230,969 123,542		
Auto prop. damage 63,687 14,941		
Auto fire T. & C. 71,312 25,488		
Surety 7,445		
Burglary & theft 708		
Stock 705,950 92,000		
Totals 2,037,592 516,090		
Louisville F. & M.—Assets, \$2,850,209, incr., \$146,578. Loss res., \$137,945. Unearned prem., \$1,208,715. Capital, \$500,000. Surplus, \$1,202,416, incr., \$5,793.		
Fire 410,998 158,102		
Ext. coverage 180,395 69,112		
Torn. wind, hail. 2,458		
Sprinkler & water dam. 256 13		
Exp. riot, civil comm. 212 4		
Earthquake 206		
Exp. riot, civil comm. 555,698 379,139		
Inland marine 129,653 80,822		
Auto phys. damage 603,999 354,915		
Totals 1,883,875 1,042,155		
Lynn Mut. Fire—Assets, \$1,779,373, incr., \$106,570. Loss res., \$69,599. Unearned prem., \$128,093. Surplus, \$878,801, incr., \$98,358.		
Fire 345,437 105,925		
Ext. coverage 55,354 21,336		
Torn. wind, hail. 64		

Premiums Earned	Losses Incurred
Sprinkler & water dam. 794 60	
Exp. riot, civil comm. 13	
Earthquake 108	
Aircraft phys. damage 408,772 159,097	
Auto phys. damage 17,494 11,775	
Catastrophe 793,125 274,692	
Totals 1,662,497, incr., \$209,318. Loss res., \$234,826. Unearned prem., \$315,144. Surplus, \$1,068,760, incr., \$185,700.	
Auto liability 144,378 94,042	
Auto prop. damage 85,829 102,295	
Auto phys. damage 605,160 288,994	
Medical 36,868 14,743	
Totals 872,237 500,075	
Maryland Cas.—Assets, \$123,698,235, incr., \$8,759,655. Loss res., \$41,016,256. Unearned prem., \$39,618,888. Capital, \$5,416,728. Surplus, \$32,287,492, decr., \$74,080.	
Fire 12,575 11,888	
Ext. coverage 2,793 2,729	
Sprinkler & water dam. 222,907 186,675	
Inland marine 1,157 460	
Accident 1,462,274 576,642	
Health 300,795 130,475	
Group A. & H. 806,347 450,730	
Workmen's comp. 14,744,856 9,351,834	
Liability (not auto) 6,028,980 2,311,878	
Auto liability 16,632,172 9,898,608	
Auto prop. damage 8,599,647 5,701,193	
Auto phys. damage 5,543,873 2,904,723	
Prop. dam. (not auto) 1,702,839 559,630	
Fidelity 3,045,971 1,039,045	
Surety 5,577,768 1,692,659	
Glass 1,064,647 506,886	
Burglary & theft 2,991,779 1,086,788	
Boiler & machinery 2,104,552 469,912	
Totals 70,845,932 36,892,755	
Mass. Cas.—Assets, \$1,263,891, incr., \$211,378. Loss res., \$240,172. Unearned prem., \$554,871. Capital, \$100,000. Surplus, \$431,432, incr., \$65,446.	
A. & H. 131,678 58,355	
Non-Can. A. & H. 764,665 276,578	
Totals 896,343 334,933	
Mayflower, O.—Assets, \$2,711,506, incr., \$240,341. Loss res., \$252,066. Unearned prem., \$1,724,798. Capital, \$301,350. Surplus, \$626,637, incr., \$108,463.	
Fire 263,629 133,125	
Ext. coverage 96,733 32,502	
Inland marine 1,500 130	
Auto phys. damage 1,679,023 969,775	
Totals 2,049,885 1,136,532	
Mechanics & Traders, Conn.—Assets, \$9,677,162, incr., \$298,206. Loss res., \$607,344. Unearned prem., \$2,891,969. Capital, \$1,500,000. Surplus, \$5,860,027, incr., \$402,527.	
Fire 1,287,210 555,331	
Ext. coverage 272,744 120,349	
Torn. wind, hail. 14,607 19,157	
Sprinkler & water dam. 4,781 825	
Exp. riot, civil comm. 2,269 179	
Earthquake 3,790 1,358	
Crop-hail 12,668 6,628	
Ocean marine 31,090 22,262	
Inland marine 161,405 85,095	
Aircraft phys. damage 5,026 2,101	
Accident 2,637 1,039	
Health 98 34	
Group A. & H. 11	
Workmen's comp. 33,057 28,268	
Liability (not auto) 37,502 19,117	
Auto liability 169,181 111,274	
Auto prop. damage 84,192 66,995	
Auto phys. damage 458,553 221,868	
Prop. dam. (not auto) 6,369 4,196	
Fidelity 4,085 1,798	
Surety 11,081 10,114	
Glass 5,431 2,658	
Burglary & theft 10,839 4,246	
Totals 2,618,625 1,284,891	
Merchants & Bus. Men's Mut.—Assets, \$6,033,748, incr., \$690,462. Loss res., \$45,957. Unearned prem., \$1,268,672. Surplus, \$4,172,118, incr., \$512,060.	
Fire 987,122 275,252	
Ext. coverage 85,742 12,592	
Torn. wind, hail. 3,090 1,371	
Sprinkler & water dam. 4,183 759	
Exp. riot, civil comm. 1	
Auto phys. damage 14,900 7,688	
Totals 1,095,038 297,662	
Merrimack Mut. Fire—Assets, \$9,706,884, incr., \$1,493,769. Loss res., \$286,400. Unearned prem., \$5,461,868. Guaranty, \$100,000. Surplus, \$3,681,478, incr., \$656,784.	
Fire 2,675,769 937,445	
Ext. coverage 587,811 207,059	
Torn. wind, hail. 475 665	
Sprinkler & water dam. 6,596 176	
Exp. riot, civil comm. 204 1,850	
Earthquake 907	
Inland marine 13,930 1,859	
Auto phys. damage 1,285,739 512,097	
Totals 4,571,431 1,659,469	
Middlesex Mut. Fire—Assets, \$7,726,905, incr., \$402,557. Loss res., \$271,342. Unearned prem., \$2,964,040. Surplus, \$4,293,565, incr., \$369,085.	
Fire 1,381,749 423,700	
Ext. coverage 221,419 85,346	
Torn. wind, hail. 256 261	
Sprinkler & water dam. 3,179 241	
Exp. riot, civil comm. 55	
Earthquake 432	
Aircraft phys. damage 8 453	
Auto phys. damage 1,553,336 604,570	
Catastrophe 69,097 47,093	
Totals 3,090,827 1,066,957	
Michigan Mut. Auto.—Assets, \$1,203,449, incr., \$144,076. Loss res., \$243,268. Unearned prem., \$510,530. Surplus, \$367,639, incr., \$24,167.	
Liability (not auto) 6,046 587	
Auto liability 242,005 61,504	
Auto prop. damage 228,576 151,214	
Auto phys. damage 466,670 209,534	
Prop. dam. (not auto) 696 135	
Burglary & theft 2,108 876	
Pass. accident 44,206 17,856	
Totals 990,307 441,507	

3 ways you can sell more insurance

There's no hocus-pocus about these three steps. Two of them, in fact, you know about already but possibly through sheer human inertia just haven't been following:

1. When you figure you're through for the day, try making just one more call.
2. Try "early bird" calls, while your competitors are still clearing off their desks.
3. Wherever possible, have something special to sell.

Reporting Forms give National of Hartford Group Agents that third item. These special fire insurance forms render special service to merchants... protect fluctuating inventory values at all times. Insured gets full protection when inventory is high; pays only for coverage needed when inventory is low.

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(CONTINUED ON PAGE 26)

## EDITORIAL COMMENT

### Insurers Seek a Little Profit

It is interesting to note the emphasis in company gatherings of recent months on operating for profit. Insurance men will and do talk about a lot of things, but profit is fundamental and unless they make some, the companies must make adjustments in operations to do so, adjustments that may be painful to them and certainly are so to agents.

In a time when commissions for good fire business are going up and reports of underwriting losses on automobile business are coming in, it is interesting to see what management considers to be the sort of operations that are most likely to produce a profit.

Some of the aims of companies in 1932 sound suggestive for agents.

Probably the first objective is to watch the automobile account. Large or small, the companies are doing this, though some of the larger ones still write a tremendous amount and will continue to do so. However, special agents and agents today are almost obliged to develop more profitable business as an offset.

Basically, the profit insurers are talking about, if it exists at all, consists of a very small piece of pie. Out of a dollar it is only a few cents, and the insurance people work hard to manage the other segments so that the tiny piece isn't all gone, or more, by year end. No one these days can afford to be reckless with expenses and losses.

What can the insurer do about losses, which represent the biggest slice of pie. The insurer can underwrite a better book of business. The old underwriting principles, the copybook maxims still hold good—spread of risk, selection of business; get as much as possible of those lines that over the years have pro-

vided the best chance of profit. Too big concentrations of risk still will clip the insurer. Certain areas are more stable than others. Don't write windstorm, whose volume is half and whose loss ratio is more than two times what it was in the 1930s. Write extended coverage, which has grown six times in the same period. The volume of E. C. is now such that with certain adjustments in rates, some of which already have been made, it should be a good line. In inland marine, secure some volume outside the big cities, to counterbalance the high loss ratios there.

These are a few things insurers are asking their field men to do, and field men are seeking agents who will help them do it. Good agents tend to collect and attract customers whose business is profitable.

In times when the big automobile line is sour, agents may be inclined to criticize insurers for resisting business. Yet it is a good question as to how far an insurer is entitled to go in accepting poor risks, as an institution with fiduciary obligations. How far can companies wander from the basic underwriting and management principles that are aimed at making a little profit? To depart very far would for some companies constitute a course from which they might not be able to return.

It is impossible to measure, but the amount of education is substantial that insurers have provided the public over the years, in securing the correction of bad practices and principles in the fire and casualty fields. A vast educational process has gone on. Where insurance was hard to get and expensive when it could be had, the discipline exerted undoubtedly has been beneficial.

### Suggestions on Letter Writing

Like everything else, the cost of writing a letter has gone up. Today the estimate is 93c, including the time of the person who dictates it, the time of the person who writes it, and the stamps, paper and printing. This does not figure in the postoffice deficit for delivering it.

If an agency or company executive writes 100 letters a month, he is costing his firm \$93. This is hardly believable, but undoubtedly true.

Yet we still get—and probably write—some letters that do not reduce but add to the confusion of things. This is often due to the fact the purpose is uncertain. What is it the writer wants

to find out from the reader? Is he as sure as he can be that the reader to whom he addresses his letter is the best qualified to give him the answer he wants?

It would be profitless in a time when the economic life is so complicated and communication is as difficult as it is, to expect people to reduce substantially their letter writing. Yet letters can be made more effective and perhaps a slight reduction would result if certain standards were applied each time a letter is conceived.

We have already mentioned a couple of these standards. Many letters that fail of their mark do so because they

do not include enough specific information to enable the reader to make a decision without more correspondence. Depending of course on what state the correspondence has reached, and the informational relationship between writer and receiver, the writer can help his cause immensely by putting in all that he believes to be germane.

The mistake often is made by the writer of assuming the reader knows more about the subject at hand than the reader actually knows. When the writer does this, it naturally leads to more letters.

Many writers who are extremely busy have adopted the practice of answering extramural communications on the original letter itself and sending it back. This saves a good deal of maneuvering and might be encouraged if letterheads were printed up in such a way as to afford a section for a reply. Or, the writer could simply close his epistle with the line, "You may answer this on

the reverse side if you wish." Another idea with some letters is for the writer to state that no answer is needed. Many letters do not call for an answer but get one, particularly letters of congratulation or, if the fellow is in the hospital, of commiseration. If the receiver of the letter then wants to reply, he may do so, but the writer has absolved him from being impolite, in case he does not.

Though the 93c that it costs to write a letter is reason enough for paying some heed to reducing the flow of letters, perhaps the real pinch nowadays is time. There is so much paper work in the insurance business at best that every additional piece of paper processing needs to be confined to the absolutely essential. Otherwise, undoubtedly the day will come when all that insurance people will do is read and write letters, make notations of various sorts, and generally spend their entire life in paper work. Practically all of it is spent that way nowadays.

## PERSONAL SIDE OF THE BUSINESS

Dean Parker, casualty manager of Travelers at New York City, is in Florida on vacation.

C. H. Hall, vice-president of American Surety, visited the head office of Canadian Surety, American Surety affiliate in Montreal, this week, and then left for Mexico City to attend the annual meeting of Cia Mexicana de Garantias, S. A.

W. A. Rattelman, president of National Union Fire, set off this week for the Pacific Coast to be gone about a month on business.

J. D. Miltenberger on March 2 will observe his 50th anniversary in the real estate and insurance business in Muncie, Ind. The Muncie Board of Realtors and Muncie Insurance Board are sponsoring a dinner March 4 honoring Mr. Miltenberger at which brief talks will be given by representatives of the realtors, insurance men, chamber of commerce, and those in the field of science, education, government, religion, and newspapers. The day before the agency will have an open house.

C. Ray Ward of Nashville, vice-president of Tennessee Assn. of Insurance Agents, has announced his candidacy for reelection to the legislature. He served as chairman of the insurance committee at the 1931 session.

John B. Owen, the new president of Central Mutual Casualty of Kansas City, attended University of Chicago school of business and then served in a number of capacities with Central Mutual. He had a distinguished army career, being discharged as a major. He became assistant secretary of Central Mutual in 1946, secretary the next year and executive vice-president-secretary in 1949.

John G. Owen, his father, who now becomes chairman, has been in the business since 1913 when he started with Utilities Indemnity Exchange at St. Louis. In 1927 he became the first manager of Automobile Club Inter-Insur-

ance Exchange, St. Louis, and went with Central Mutual in 1932. He had been president since 1941.

Oliver E. Weed of Rollins, Burdick Hunter agency of Chicago is leaving March 3 by air for a business trip to Honolulu. He will stop enroute at San Francisco and Los Angeles.

John McFarland, western manager of American, underwent an operation at Swedish American hospital at Rockford, Ill. He is making a good recovery and expects to be back at work in a few days.

### National Union Dividend Goes Up to 45c Quarterly

PITTSBURGH—National Union has declared a quarterly dividend of 45 cents a share payable March 24 to stock of record March 4. This is an increase in the annual dividend rate to \$1.80 as compared with \$1.60 paid in 1931.

### List Pittsburgh Speakers

Speakers for the various forums during Pittsburgh Insurance Day March 11 are announced.

K. J. Bidwell, assistant U. S. manager of London Assurance, and Arthur T. Fleischhauser, vice-president of Fireman's Fund, will address the fire group. Chet Elson, Mutual Benefit H. & A. manager at Indianapolis, is billed for the A. & H. gathering.

Superintendent Bohlender of New York is luncheon speaker. J. C. O'Connor, executive editor of THE NATIONAL UNDERWRITER, and L. C. Richardson, vice-president of American International Underwriters, are casualty speakers. James F. White, advertising director of Maryland Casualty and J. Dillard Hall, assistant secretary of U. S. F. & G., are on the agency forum while Peter A. Zimmermann and J. F. Fitzgerald of Surety Assn. of America are the surety orators.

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FRED C.

at Evansville, prominent in organization—local, national, and at the age of 25. He had been president of his local board since 1925. He was a past president of the Evansville local board of the Indiana Assn. of Insurance Agents and was a member of the N. A. legislative committee. He was president of the Commerce.

PETER E. of the law firm of Dempsey, Co. home after a former assistant was regarded as insurance law.

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By H. W. C. Co., 135

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Standard Ac

Travelers

U. S. F. & G

U. S. Fire

\*Includes



# DEATHS

**FRED C. RICHARDT**, local agent at Evansville, Ind., who had long been prominent in agency organization affairs—local, state, and national, died at the age of 68.



Fred C. Richardt

He had been president of his agency since 1925. He was a past president of the Evansville local board and of the Indiana Assn. of Insurance Agents and was a member of the N.A.I.A. legislative committee. He was a past president of Evansville Chamber of Commerce.

**PETER E. DEMPSEY**, 84, member of the law firm of Knepper, White & Dempsey, Columbus, O., died at his home after a short illness. He was a former assistant attorney general and was regarded as an authority on fraternal insurance law.

**HERMAN A. COCH**, 68, former supervisor of liability claims for the western department of Employers Group, died at his home at Forest Park, Ill. Mr. Coch had retired in 1951 after 50 years of service with Employers. He started at the age of 17 as an office boy in the western department, was an outside investigator for 5 years, and was then named supervisor, a job which he held for 44 years.

**H. R. LACKNER**, personnel manager at New York for Hartford Accident, died at Glen Cove, N. Y. He had been with the company 31 years.

**CARL W. JOOS**, 61, assistant to the manager of the agency department of W. A. Alexander & Co., Chicago, died in an ambulance on the way to a hospital after having fallen while trimming a tree in the back yard of his home. Mr. Joos had been with Alexander & Co. for 31 years, 25 of those as a special agent. A son-in-law, Harry C. Boyle, is assistant secretary of Alexander & Co.

**RODNEY J. BROOKS**, senior partner of Tongue, Brooks & Co., Baltimore, died suddenly. His firm was the second oldest general agency of Maryland Casualty, having represented the company continuously since 1898.

A veteran of the first war, Mr. Brooks joined his father's agency, Joseph W.

Brooks & Co., in 1918 and became head of the firm less than a year later when his father died. He continued as senior partner and general manager of the agency when the name was changed to Tongue, Brooks & Zimmerman in 1929 and to Tongue, Brooks & Co. in 1947. He was a vice-president and director of Seaboard and director of Fidelity & Deposit.

**FRANK E. GANNON**, 50, claims attorney for A. B. Lansing, St. Louis adjuster, died of a heart ailment.

**GEORGE C. RACK**, 52, local agent of Milwaukee, was found dead of carbon monoxide poisoning in his car near Neosho, Wis.

## Writings of Phoenix Group Up 15% in '51

The Phoenix of Hartford group reports 1951 written premiums of \$63,562,087, a 15% increase over the \$55,267,692 total for 1950. The gain from operations for 1951 amounted to \$3,924,658, compared with \$5,045,140 in 1950.

President John A. North said the group's book value was equal to \$102.11 a share, compared with \$95.30 the year before.

The annual meeting Feb. 27 was the first in the new home office building. The report said \$1 million of its \$6.6 million cost was written off and the building is now being carried on the books at \$5 million.

Interest return on bonds and stocks, after expenses but before federal taxes, was 4.14%.

## Millers National Promotions

B. T. Overand, manager of the eastern department of Millers National at Philadelphia, has been made resident vice-president and W. L. Brookes, assistant manager, is appointed resident assistant secretary.

H. R. Stewart, manager of the Pacific Coast department at San Francisco, is named resident vice-president.

J. W. Nickerson and Joseph E. Birong have been advanced from assistant secretaries to assistant vice-presidents and assistant secretaries. John A. Seibel, A. M. Devroye and Donald R. Rose are appointed assistant secretaries.

## M. J. O'Brien, F. & C. Executive, Retires

Vice-president Martin J. O'Brien of America Fore has retired at his own request under the group's retirement plan. Mr. O'Brien, who has been with the organization 38 years, was in charge of agencies for Fidelity & Casualty.

He started with F. & C. in 1914 and was assigned to the engineering department of the Milwaukee office. A year later he was transferred to Detroit and became special agent in Michigan and Indiana. Shortly afterward he was shifted to Pittsburgh, covering West Virginia and Pennsylvania. In 1918, he was made assistant resident manager at Pittsburgh and two years later returned to Detroit in the same capacity.

In 1923, Mr. O'Brien went to New York as assistant manager of the metropolitan office and was made resident manager at Philadelphia in 1929. In 1931 he returned to the home office as superintendent of agencies.

On his 20th anniversary in 1934 he was elected vice-president in charge of agencies for Fidelity & Casualty and in 1949 vice-president of all companies in the group.



M. J. O'Brien

## Senate O.K.s "National"

The Senate has unanimously passed the bill to permit insurance companies to use the word "national" as part of their names, after Senator O'Connor, Maryland, stated that without such legislation 119 companies would be compelled to delete the word from their titles.

## Chicago Congress March 18

Chicago A. & H. Assn. has scheduled its 1952 sales congress for March 18 at the Midland hotel. For the first

time it will meet for breakfast instead of luncheon, the meeting starting at 8:15 a.m. Carl H. Lane, field supervisor General American Life, St. Louis, will speak on "Business A. & H. Insurance," Robert J. Glasgow, assistant vice-president of Continental Casualty's aviation and special risks division on "New Inroads into the Accident and Health Industry" and Edward H. O'Connor, managing director Insurance Economics Society, on current legislative activities affecting the A. & H. business.

## Third Party Liability Main Topic at Minn. Mid-Year

MINNEAPOLIS—Third party liability will be the underlying theme of the midyear meeting of Minnesota Assn. of Insurance Agents here April 23-24. Frank S. Preston, program chairman, is now lining up top-level speakers to handle every angle of this subject. The point will be stressed that the public must pay in higher insurance rates for the high verdicts being returned in many auto accident cases in Minnesota and other states. An effort is being made to get an outstanding lawyer to present the legal side of the question.

A closed session of the executive committee will be held the day preceding the first convention session and there will be an open session of the committee the opening day of the convention.

## Boost New York Bus Limits

The bill has gone to the governor in New York that would boost bodily injury liability insurance requirements of bus operators from \$5,000 to \$10,000 for up to eight passengers, \$15,000 to \$40,000 for eight to 12, \$25,000 to \$60,000 for 13 to 20, \$40,000 to \$80,000 for 21 to 30 and \$50,000 to \$100,000 for more than 30.

Russell W. Mullin has been appointed state agent in northeastern Ohio for Boston with headquarters at Cleveland. He has had extensive experience.

Alexander M. Heron of the Washington, D. C. firm of Pope, Ballard & Loos, has been named chairman of the fidelity-surety committee of the insurance section of American Bar Assn.

# STOCKS

By R. W. Cornelius, Bacon, Whipple & Co., 135 So. LaSalle St., Chicago

Feb. 26, 1952

	Div.	Bid	Asked
Aetna Casualty	3.00	35	39
Aetna Fire	2.25*	54 1/2	56
Aetna Life	2.50*	80	82
American Alliance	1.50*	31 1/2	33 1/2
American Auto	2.00	39	41
American Equitable	1.50	26	27 1/2
American (N. J.)	1.00	24 1/2	25 1/2
American Surety	3.00	51 1/2	53 1/2
Boston	2.65*	66	68
Camden Fire	1.15*	21	22
Continental Casualty	2.50*	71	73
Fire Association	2.60	57	59
Fireman's Fund	1.60	52	54
Firemen's (N. J.)	.80	24	25 1/2
Globe Falls	2.40*	58 1/2	60 1/2
Globe & Republic	.80	13	14
Great American Fire	1.50*	35 1/2	37
Hanover Fire	1.60	34 1/2	36
Hartford Fire	3.00*	136	138
Home (N. Y.)	1.80	35	36
Ins. Co. of North Am.	2.50*	74	76
Maryland Casualty	1.00	21 1/2	22 1/2
Mass. Bonding	1.60	26	27 1/2
National Casualty	1.50*	26 1/2	29
National Fire	2.50*	58 1/2	60
National Union	1.80	39	41
New Amsterdam Cas.	1.50	33 1/2	35
New Hampshire	2.00	41	43
North River	1.20	27	28 1/2
Ohio Casualty	1.20	67	70
Phoenix, Conn.	3.00*	81	83
Prov. Wash.	1.50*	28	30
St. Paul F. & M.	.80	31 1/2	33
Security, Conn.	1.60	32	34
Standard Accident	1.60	33	34 1/2
Travelers	14.00*	606	612
U. S. F. & G.	2.00	53	55
U. S. Fire	1.40	38	40

\*Includes extras.

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## 1952 AGENT'S and BUYER'S GUIDE

prepared by THE FIRE, CASUALTY AND SURETY  
PUBLICATIONS DEPARTMENT.

JAMES C. O'CONNOR, Executive Editor;  
BERNARD P. McMACKIN, JR., Assistant Editor, FC&S Bulletins

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- making the most of underwriting short-cuts?
- trying to place or get service on unusual or hard-to-place lines?

Answers hundreds of questions on everyday problems:

- "Who buys insurance for that factory which just opened a branch here?" (See Directory of Insurance Buyers)
- "The Ajax Company asked about Medical Payments for its soft ball team. What is that?" (See Definitions Section)
- "What lines should the Smith Co. have?" (See Check List of Prospects)
- "Jones thinks I'm kidding about Product Liability dangers. Where is a good case we could show him?" (See Large Losses Section)
- "Williams says he often confuses his personal money and what he takes in at his store. How can I make sure he is covered?" (See Survey Analyzer)
- "Blank Finance Company says it wants to insure unrecorded chattel mortgages. Where can we place that?" (See Markets for Unusual Coverages)

—And hundreds of others.

### IMPORTANT OFFER

Users of the New 1952 Agent's and Buyer's Guide are privileged to send to the editors any problems not covered in the book and receive, FREE OF CHARGE, any information required.

### A FEW FEATURES OF THE GUIDE . . .

- Definitions of Coverages
- Survey Analyzer
- Check List of Prospects
- Large Losses of 1951
- Service Directory of Leading Insurance Offices
- Directory of Insurance Companies
- Directory of Insurance Buyers Associations
- Directory of Insurance Buyers

Department of  
**THE F.C.&S. BULLETINS** **The NATIONAL UNDERWRITER CO.**  
420 EAST FOURTH STREET • CINCINNATI 2, OHIO

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## Time to Assess Group A. & H. Business, Miller Warns

The group A. & H. boom will continue, perhaps reaching \$1 billion in 1952, Morton D. Miller, assistant actuary of Equitable Society, said at the Bureau of A. & H. Underwriters' seminar at New York.

However, premiums have been pared down. Claims under hospital and surgical expense benefits have been mounting and this trend continues. Weekly indemnity claims may be rising. The rapid growth of the business has made it difficult to accumulate adequate surplus funds.

It is a good time, he said, for all to take stock of group A. & H. operations.

### Why Losses Are Rising

Mr. Miller presented several reasons for rising experience trends, though he noted that much less information is available concerning operations in this field than might be supposed or than should be the case.

Ratios of claims to premiums are affected as much by reducing premium levels as by increasing claim payments. Since 1945, there has been a continuous assault on premium rates, both weekly indemnity and hospital-surgical expense benefits. Weekly indemnity rates were reduced materially in 1948 with passage of the New Jersey cash sickness law and were applied to California unemployment compensation disability benefits at the same time. Two years later they were applied to New York disability benefits. Employee hospital expense rates were reduced in 1950, with adoption of rates on a lower basis for plans with benefits on a reimbursement rather than a fixed benefit or indemnity basis. Employee surgical benefits rates were reduced in 1948 with adoption of a new surgical schedule. Dependent surgical expense premium rates were reduced in 1945, 1946 and, with the adoption of the new surgical schedule, again in 1948. Early in 1950 an over-all reduction factor was introduced giving advance recognition to savings in expenses under larger cases. The premiums for group accident and health benefits combined for dividend purposes were reduced from 1% to 15%, depending on the size of the group.

### Liberalization's Effect

There has been the gradual liberalization of administrative provisions and claims practices in the hospital and surgical expense field, including reduction in the minimum number of hours hospital confinement required, broadening of the age limits for the coverage of dependent children, practice of reimbursement for anesthesia charges made by physicians under hospital expense plans where sufficient extra charges allowances remains, increasing recognition of out-patient and minor surgical claims, payment of benefits on the recommendation of or for the charges rendered by non-medical practitioners such as chiropractors, and the increased recognition of surgical procedures in the shadowy area between dentistry and medicine.

Liberalizations like these were made without increasing premium rates. They are in effect further premium reductions. They have increased the claim load gradually. No one liberalization accounts for much in itself. It is easy to fall into the trap of thinking they can continue to be made, but sooner or later the cumulative effect must be felt.

### Effect of Morbidity Level

The level of morbidity among the insured population affects loss ratios. It is independent of the premium rates and is measured by comparing claims with the number of persons or the amounts of benefits exposed to risk. The most recent information available is that contained in the 1951 report of the inter-

company studies of the group mortality and morbidity committee of Society of Actuaries, which is in process of publication. The trend of claim costs per unit of benefit for policy years ending in 1947 through 1950, according to this study, shows weekly indemnity experience actually improved continuously from policy years ending in 1947 to those ending in 1950. But hospital and surgical coverages, both employee and dependent, increased in claim cost. Liberalizations of benefits and claim practices are reflected under these coverages as well as increased use of hospitals and surgeons. Hospital stays have become shorter, but since hospital bed occupancy remains high, this has been more than offset by increased frequency of confinement and the added proportion of the claim dollar going to pay hospital charges other than room and board.

### Trustee, Association Cases

Changes in underwriting brought about by the introduction of trustee and association type groups have presented many new problems and their experience may be somewhat different from that of the regular employer-employee groups. The influence of collective bargaining on the character of the insured group, extending after issue to the administration of policy provisions and claims, is not too well established, but could have a material effect on what is becoming an ever mounting proportion of the business.

The very presence of insurance tends to increase costs, he said. People become hospitalized because insurance is provided in the event of hospital confinement, which would not otherwise be available. This is true, for example, when a series of diagnostic x-rays or laboratory examinations may be needed. In many instances elective surgery is performed where the operations would not have taken place had there been no surgical insurance.

Along with the tremendous growth of hospital and surgical insurance has come an increased awareness of the amount and scope of benefits, by the insured public, by the medical profession, hospitals and related groups. In the broadest sense, a re-orientation of medical economics is coming about through the spread of insurance, which continues to add to insurance costs.

A substantial number of persons who are covered by an insured plan also carry Blue Cross hospitalization insurance. There is also duplication with Blue Shield surgical or medical insurance, but to a lesser extent. Since double coverage usually means over-insurance, this is a problem which will probably merit increased attention in the future.

### Inflation a Big Factor

Inflation is a new and important factor affecting hospital and medical expense insurance operations more every day. When benefits were limited to a modest daily benefit for room and board and a five times allowance for other hospital charges, inflation was no problem for the insurer. Insured paid the additional costs as charges went up.

But plans have gradually been broadened so that insurers freely write plans providing 20 times daily room and board benefit for hospital extra charges. Many companies will underwrite plans with even greater benefits. Some are going so far as to provide unlimited coverage for extra hospital charges and are even undertaking to remove the daily room and board limit and to provide semi-private room benefits. Claim costs under these plans, entirely apart from any tendency such plans may have to increase

(CONTINUED ON PAGE 26)

## J. P. Gibbs, Casualty Commissioner of Texas, Has Resigned

Joseph P. Gibbs, veteran casualty insurance commissioner of Texas and nationally prominent in state supervisory circles, has resigned, effective March 19. His successor has not yet been named.

Mr. Gibbs, who took office in 1941 to fill a brief unexpired term and then was reappointed a month later and again in 1947 for full six-year terms, plans to devote most of his time to the Nolte National Bank at Seguin, of which he is chairman. Before first taking office, he had been in the insurance and real estate business at Seguin and also had managed a milling and power company.

Mr. Gibbs' health has been impaired for more than two years. He suffered a heart attack in mid-1949 while en route to the annual convention of the National Assn. of Insurance Commissioners at Seattle. Close friends have known of his intended retirement for some time, but had hoped that he would complete his term, which expires Feb. 10, 1953.

### Three Notable Accomplishments

Mr. Gibbs, long a favorite among Texas agents and companies for his straightforward handling of regulatory problems in the casualty field, has been directly responsible for three notable accomplishments in Texas supervisory practices, each of them leading to national action. They are: Recognition of local agents in the national defense projects plan in the early days of the second world war; enactment of laws covering general liability lines and providing rate controls, making Texas one of the first states to act in that field following the S.E.U.A. decision, and application of the wage trend factor in workmen's compensation rates.

He was for several years chairman of the casualty and workmen's compensation committees of N.A.I.C.

## Secured, Vernon Merger Talks Off

INDIANAPOLIS—Merger negotiations between Secured Fire & Marine and Secured Casualty on the one hand and Vernon General and Vernon Casualty & Reinsurance on the other have been discontinued at this time according to official notice given to stockholders and agents by President R. B. Parrott of Secured Casualty, and President Theo. G. Harris of the Vernon companies.

Early in January a public announcement was made that certain preliminary proposals had been made for the combination and merger of these companies, and the directors authorized their respective presidents to go into the proposals and carry on further negotiations toward development of final merger plans if deemed feasible. During this exploratory period all companies continued to operate independently.

## Let N. Y. State Fund Insure Third Party Liability

A bill has been signed by Governor Dewey which makes permanent the New York law change of last year permitting the state fund to insure third party liability under the workmen's compensation policy. In the Cardinal case decision last year, the court held the fund did not have this authority. The New York policies were changed about five years ago to provide such coverage, which becomes operative when an employee is injured and has a cause of action against a third party who pays and then moves against the employer for reimbursement.

## Casualty Rates Up 13%, Consumers' Prices Rise 89%

### Between 1939-1952 Some Lines Show Decreases as Inflation Runs Rampant

NEW YORK—Overall casualty insurance rates of stock companies rose an average of only 13% from the prewar period to the close of 1951 on an equivalent coverage basis, as compared with an increase of 89% in consumers' prices during the same period, according to a study released by William Leslie, general manager of National Bureau of Casualty Underwriters.

Between 1939 and the end of 1951, countrywide average insurance rates were 39% lower for workmen's compensation on an equivalent coverage basis and were 2% lower for burglary, theft and robbery. Auto B.I. and P.D.L. rates combined rose 35%; general liability 9%; boiler and machinery 13%, and glass 78%. Weighted on the basis of premium volume, the changes in rates for the six lines resulted in an average rate increase of 13% over the 12-year period.

The figures indicate, Mr. Leslie said, that stock companies have been writing a large part of casualty coverage below or close to the rates prevailing before the war.

### Compensation Trend Traced

On the average, compensation rates, for all the states where private insurers write this coverage, were the equivalent of 39% below the prewar level on the basis of the same benefits then prevailing. However, in 1951 benefits were 30% higher than before the war, and even taking these increased benefits into consideration the rates still averaged 20% below the prewar level.

For all states combined where private insurers write compensation, the average rates were steadily reduced year after year from 1939 through 1950, despite higher law benefits. In 1951, rates turned upward but they still remain well below prewar. The rate reductions since 1939 were primarily attributed to a marked decline in industrial injury frequency and severity and to higher pay-rolls.

The rise in auto third party rates since 1939 was attributed largely to the inflation-induced increases in claim costs for both B.I. and P.D.L. This was further aggravated by a marked upturn since 1949 in claim frequency.

### Effect of Hospital Fees

The increase in hospital fees over the past decade and the marked rise in the size of verdicts rendered in liability suits during the same period have naturally helped to raise the average cost of claims for bodily injuries. Hospital rates rose as much as 174% and the average verdict for the plaintiff in liability suits in New York state, for example, increased 94% in this period.

The rise in the average cost of property damage claims was attributed to the effect of inflation and other factors. The cost of automobiles and the cost of repairing them have soared. In 1950 the average wholesale value of new passenger cars was 125% above the prewar figure and automobile repair costs—parts and labor—jumped 134% from 1940 to

(CONTINUED ON PAGE 26)

## Owen Roberts to Speak at Mutual Insurance Dinner

Owen J. Roberts, former justice of the U. S. Supreme Court, will be the principal speaker at the Dinner to be held at Philadelphia March 25 in recognition of the 200th anniversary of mutual insurance. The subject of his address is "Cooperation—Keystone of Democracy."

Following this address, there will be a debate between U. S. Senators Paul L. Douglas, Illinois Democrat, and Homer Capehart, Indiana Republican. A number of mutual fire and casualty representatives will also participate.

The dinner program will also include

the first showing of the new mutual film, "No Longer Worried," just being completed at the Chicago studios of Wilding Picture Productions. This features Benjamin Franklin and tells the story of insurance and of its contribution to national security and progress.

J. H. R. Timanus, recently retired secretary of the 200 year old Philadelphia Contributionship, will serve as dinner chairman. Preceding the dinner, a reception will be held at the Contributionship's offices, where a large amount of historical material will be on display.

Following the dinner, most of the delegates will board a special train to attend a three-day "Conference on the Future" in New York City.

At the three-day conference at New York economic, social and scientific educators will review the progress of the past 200 years in their fields.

The educators have each completed a

10,000-word paper on their subjects. This will be published as a book later in the spring.

At the New York conference, each scientist will read an extract from his findings. He will be questioned on his subject by three-man panels of insurance and business leaders.

The conference will be conducted by Dr. Lyman Bryson, professor of adult education at Columbia.

The other scientists and their subjects are: "Society and the Individual in America, 1752-1952," Louis B. Wright, director of the Folger Library, Washington, D. C., historian and authority on 18th century life.

"Theory of Risk and Insurance," Ralph H. Blanchard, professor of insurance at Columbia.

"Forecasting and Probability Mathematics," Warren Weaver, mathematician and director of the division of natural sciences, Rockefeller Foundation.

"Progress and Understanding in the Physical World," Louis N. Ridenour, Jr., physicist, and former dean, University of Illinois graduate school.

### Dr. Gerard on Health

"Health — Yesterday, Today and Tomorrow" (biological sciences), Ralph W. Gerard, professor of physiology, University of Chicago.

"The Human Mind, a Psychological Survey," Wayne Dennis, dean of the department of psychology, Brooklyn College.

"The Changing Status of Women and the Family," Florence Kluckhohn, lecturer department of social relations, Harvard.

"Population Shifts and Trends," Frank W. Notestein, director Institute of Population Research, Princeton.

"Crime and Its Future," Austin H. McCormick, professor of criminology, University of California, former director U. S. bureau of prisons, former commissioner of correction, New York City.

"Risk and American Political Institutions," Robert M. MacIver, professor of political philosophy and sociology, Columbia.

"Risk and American Economic Institutions," Dexter M. Keezer, chief economist McGraw Hill Publishing Co., former president of Reed College.

### Binder Club Slates Dorsett

J. Dewey Dorsett, general manager of Assn. of Casualty & Surety Companies, will address a luncheon meeting of Binder Club of Baltimore March 6, on "Protection Without Compulsion." He will discuss the problems arising out of automobile accidents and the rising demand for compulsory automobile liability insurance. Joseph F. Matthai, president of the company association, and executive vice-president of U.S.F. & G., will introduce the speaker.

### L. A. Requirements Modified

LOS ANGELES — Following meetings of Surety Underwriters Assn. of Southern California, Associated General Contractors, the city housing authority of Los Angeles and Stephens-Witten Co., housing authority brokers of record, the authority has rescinded its former insurance requirements. As a consequence, if the authority continues its Los Angeles program, it will provide only builders risk insurance and contractors may provide their own surety bonds and other insurance coverages.

### Neb. Short Course Planned

A property and casualty insurance short course, sponsored jointly by Nebraska Assn. of Insurance Agents and University of Nebraska, will be held June 5-10 at the university.

This course will be limited to 60 students, covering suggested preparation for parts of the C.P.C.U. examination.

Albert F. Blackburn of Grand Island, chairman of the education committee of the association, reports that so far 33 final registrations have been received. The course is open to agents and company personnel alike.

## Employers Re Past Head in New Post

J. Brett Robertson, formerly president of Employers Reinsurance, is joining Merchants Mutual Casualty of Buffalo to handle special assignments under the direction of President C. W. Brown. Earl H. Keyser has been elected first vice-president and a director of Merchants Mutual, and Edwin F. Jaekle was elected as a director.

Mr. Keyser succeeds George M. Williamson of Boston as first vice-president. The latter continues as a vice-president and New England manager. Mr. Keyser as a director succeeds George E. Howell who formerly was production manager. Mr. Keyser is an attorney and has been with Merchants Mutual 25 years. He is assistant to the general manager and has been a vice-president for some time.

Mr. Jaekle succeeds George J. Keller, president of Keller Bros. & Miller, who is retiring from the board because of illness in his family. Mr. Jaekle is general counsel of Merchants Mutual.

## Pension Action Clears Way for Many Welfare Plans

The wage stabilization board's removal of virtually all ceilings on pension plans clears away the last remaining obstacle in the path of closing a number of large welfare benefit plans. These are plans that have been hanging fire, even since the announcement of WSB regulations on welfare plans because employers wanted to integrate their welfare plans with their pension plans. They didn't want to apply for new or amended welfare plans until they knew what they could do under the expected pension regulations.

The tremendous number of health and welfare applications, namely from smaller employers, has pretty well swamped the WSB staff at Washington. The result has been a delay in the staff's plan for getting out acknowledgements promptly.

## Financial Responsibility Law Is Enacted in S. C.

A new motorists' financial responsibility act has been signed into South Carolina law by Gov. Byrnes. It goes into effect Jan. 1. South Carolina heretofore has been one of the few states without any kind of a financial responsibility act.

## Auto Title Bill in Ky.

A bill to create sound ownership title to automobiles has been introduced in the Kentucky senate. The bill is assured of administration backing. Under its provisions, a bill of sale would be created which must be recorded with the county clerk in the county where sale is made, and must accompany the car throughout its useful period, even to the junker.

## Owens 14 Branch Buildings

Fourteen of the buildings occupied by branch offices of U. S. F. & G. are now owned by the company, it is brought out in the annual report. These are at Baltimore, Brooklyn, Buffalo, Chicago, Cincinnati, Detroit, Harrisburg, Jacksonville, Newark, New Orleans, New York, Oklahoma City, San Francisco and Toronto.

## McKim Takes New Post

Edward D. McKim, vice-president of Mutual Benefit H. & A., has been elected president of American Managers, Inc., attorney-in-fact for American Insurance Exchange of Omaha, which writes automobile and farm liability contracts.

Mr. McKim will remain with Mutual Benefit.

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No. 32

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## Appeal by Brokers Earnings

An appeal by the Chicago Board of Insurance to the ruling holding that brokerage paid by agencies or brokers to business normal employment purposes of the wage and hours act is not such a business.

In its brief, the board represents a class of persons who represent one who represents a broker. The brief was based on the fact that brokers, who would be impossible to employ in the amount of his own time, employ a number of employees and that such decisions defining contractors.

The board states that no is factors since the responsible for business is transacted agent to solicitors, members cannot under the wage tends that employees security.

## Headliners for Santa

Pacific Insurance Forum is at the Santa Barbara, Roger Kenner, U. S. Investment Too Much Industry?"

Ben B. E. United Pacific Municipal League Charles W. Liverpool, will be the top of Fire and Organizing will be the top of Angeles man Council.

A report on will be made president of report on Pac will be presentive vice-president.

## Kill Comp

A bill proposing liability the general liability house. been killed by

## Raises Issu

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January 23, 1952  
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## Appeal Rule Making Brokers After-Hour Earnings Overtime

An appeal has been made by the Chicago Board to the wage and hour division of the department of labor on its ruling holding that commissions and brokerage paid salaried employees of agencies or brokers for personally procured business is a continuance of their normal employment and must be included in the employee's basic wage scale for purposes of overtime. The ruling was applied to all employees covered by the wage and hour act even though some solicited such business under a broker's license.

In its brief, the board points out that under Illinois law an agent is one who represents a company, a broker one who represents the assured, and a solicitor one who represents a licensed agent or broker. The theory presented in the brief was based on these definitions. As to brokers, the contention is that it would be impossible to accurately determine the amount of time spent by an employee in the solicitation of business on his own time, that the relationship of employers and employees is disturbed and that such a ruling vitiates court decisions defining brokers as independent contractors.

The board states in a bulletin to members that no issue was raised as to solicitors since the law makes employers responsible for their acts and since all business is transacted on behalf of the licensed agent or broker. With respect to solicitors, the bulletin states that members cannot avoid the obligations under the wage and hour law. It recommends that members insist on salaried employees securing broker's licenses.

## Headliners Scheduled for Santa Barbara Rally

Pacific Insurance & Surety Conference Forum is to be held March 12-14 at the Santa Barbara Biltmore Hotel, Santa Barbara, Cal.

Roger Kenney, insurance editor of U. S. Investor, will speak on "Is Inflation Too Much for the Casualty Industry?"

Ben B. Ehrlichman, chairman of United Pacific and president of Seattle Municipal League, will speak on "A Municipal League and Insurance."

Charles W. Tye, tax counsel of Royal-Liverpool, will speak on "Federal Taxation of Fire and Casualty Insurance."

"Organizing for Community Safety" will be the topic of Joseph Kaplan, Los Angeles manager of National Safety Council.

A report on workmen's compensation will be made by R. A. McGuire, vice-president of Pacific Employers and a report on Pacific Coast Advisory Assn. will be presented by J. T. Blalock, executive vice-president of Pacific Indemnity.

## Kill Compulsory Proposal

A bill proposing compulsory motorists' liability insurance was killed by the general laws committee of the Virginia house. A similar bill had earlier been killed by a senate committee.

## Raises Issue on Ind. Rates

From "an Indiana agent":

In regard to your article by Commissioner Viehmann of Indiana of Feb. 21 and his views on excess limits rate change, Mr. Viehmann quotes rate increases asked for by the National Bureau but he does not quote the rates granted which were 100% and better, on automobile excess.

The 10/20 rates asked for were 90c but the rates granted were \$1.90 higher on class 1 territory 8 (non-conference). The 15/30 rates asked for were \$1.26 but on class 1 territory 8 the 15/30 rates are \$2.60 higher and \$3.60 higher on class 3 same territory and class 1

rates territory 1 are \$5.20 higher.

The 100/300 rates asked for, according to Mr. Viehmann, were \$3.06 but granted increase from 133% to 180% or on class 1 rates territory 8 an increase of \$6.11 and \$8.46 for class 3 same territory; rates quoted are non-conference but same increase by percentage is on the National Bureau rates which are slightly higher than the non-conference rates. In other words, the bureau rates are now \$3 higher in class 1 territory 8 for 15/30 limits but the commissioner states that the bureau only asked for an increase of \$1.26 and our Fort Wayne rates are \$3.40 higher for class 1 and \$4.80 higher for class 3 for 15/30 limits; how does the commissioner justify this increase?

## Reap Enters Production Field

NEW YORK—Donald J. Reap, assistant editor of THE NATIONAL UNDERWRITER, has joined the Solomon Huber agency of Mutual Benefit Life here. The agency specializes in estate planning and has its own technique, estatology, which integrates a client's assets for efficient cash or income distribution by proper selection of instruments of estate disposition.

Mr. Reap went with THE NATIONAL UNDERWRITER here in 1947. For a time he covered fire and casualty news and was assistant editor of the "Casualty Insurer." For the past four years he has specialized in life insurance reporting and has emphasized estate planning study and research. He also attended Fordham University law school, electing subjects related to estate and business insurance planning. He will receive his law degree in June.

Mr. Reap was graduated from University of Scranton in 1942. He served in Europe and Africa for four years as an army artillery and press liaison officer until his discharge as a major in 1946.

## Name Conservator for Big Pioneer Equitable Fund

INDIANAPOLIS—The circuit court of Marion county here has designated a conservator for the fund of approximately \$800,000 that was put up in March, 1949 in connection with the reinsurance of Pioneer Equitable of Lebanon, Ind., by the now defunct Rhode Island Ins. Co. Named as conservator is Michael Reddington, Indianapolis lawyer who was formerly a special deputy with the insurance department and is also a former city attorney. Commissioner Viehmann of Indiana has been insisting upon this procedure. The affairs of these companies are highly involved and it will be up to the conservator to get to the bottom of the liability and claims of Pioneer Equitable. It is believed that the deposit is more than sufficient to take care of all policy claims.

## Field Rally at Ft. Worth

Field men from nine states reporting direct to the home offices of Houston Fire & Casualty and General of Fort Worth, held a three-day conference at the head office. President J. M. Ferguson, Jr., gave a report on the aims for 1952.

## Plan Second Minn. Fire School

MINNEAPOLIS — The fire school here was so well attended that it is proposed to have another one in May. A total of 210 registered, including 20 company executives and field men. The school was sponsored by Minnesota Fire Prevention Assn.



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## \$41,500 Judgment Puts S. F. Presbytery in a Hole

The automobile bodily injury case in which the Presbytery of San Francisco has been held liable for \$41,500 plus court costs has attracted attention over the country. The California supreme court late last year denied a motion for rehearing. Neither the Presbytery of San Francisco nor the church at San Mateo carried insurance, and the Presbytery's attorneys' committee has concluded that there is no alternative but to raise the necessary funds to discharge the obligation.

Raymond L. Hanson of the San Francisco law firm of Schofield, Hanson & Jenkins, is moderator of the Presbytery of San Francisco and a member of the attorneys' committee. That committee prepared a statement in connection with the case which ended with the adjuration that "this is not a matter for long term financing, but a matter for immediate payment and cannot be discarded or overlooked."

### Details of Accident

In 1943, a boy named Clinton Malloy, then 14, was attending a daily vacation Bible school at the San Mateo church. This was a fully organized church with its own session and board of trustees. Clinton Malloy was one of a group of children who desired to participate in a baseball game as part of the Bible school and started with the other children to the baseball field a few blocks from the church. On the way, he rode on the fender of an automobile being driven by a volunteer helper. A car came out of a side street and struck the car on which he was riding. In the accident Clinton Malloy's foot was lost.

Neither car involved in the accident carried insurance.

Several years later a suit was filed against the boy who was driving the car as a volunteer, against the minister of the San Mateo church and against the Presbytery of San Francisco, for damages for the loss of the foot and for medical and other expenses. A jury in San Francisco rendered a verdict of \$41,500 against all of the defendants. The Presbytery of San Francisco moved for judgment non obstante verdicto. Judge Lazarus granted this motion and thereby set aside the verdict. The Malloys appealed, but the action was upheld by the district court of appeal after two hearings. But on appeal to the supreme court the Malloys secured a reversal.

### No Coverage

At the time of the accident the Presbytery carried no public liability insurance for this type of risk. It was the opinion of those in charge of the activities of the Presbytery that it was not liable for any actions of volunteers in any of the churches, and this in effect was what both the judge of the trial court and the district court of appeal held in the case. However, the reversal by the supreme court meant payment of the judgment, and the Presbytery had no insurance or money in the treasury to meet the obligation.

The committee pointed out that it was therefore necessary for each church to contribute to a fund to discharge the obligation.

Mr. Hanson recommended to the Presbytery of San Francisco that it carry a master comprehensive multiple liability policy for its liability in any project and also that each church come in under the master policy by paying a

special premium, or carry its own coverage in substantial limits.

From an insurance standpoint, Mr. Hanson believes that the decision is far-reaching when it holds that either a church or a Presbytery, or for that matter any charitable organization, such as the Y. M. C. A. or similar group, is liable for the negligence of a volunteer who is hardly to be considered under the control of the organization. In this particular case, the volunteer was not a member of the Presbyterian church, nor a member of the particular church, nor had he received any specific authorization to help.

## More Than 1,500 Attend Cal. Regional Meeting Series

More than 1,500 attended the recently completed series of regional meetings conducted by California Assn. of Insurance Agents, extending from the Mexican border to the Oregon line.

Especially interest was taken in the report of the conference committee, which has been holding a series of meetings with company representatives protesting features of newly announced all-risk dwelling policy forms.

Association officers explained that some of the new contracts are being offered on a continuous basis and that agents, who own expirations, own nothing at all if policies have no expiration date. Opposition was also voiced because, they said, some of these new contracts involve a reduction in commissions. This report developed considerable open discussion following the formal presentation of reports.

The 26 regional meetings were held in three divisions. Robert E. Battles, president, conducted the meetings in northern California; R. E. Dawson, vice-president, and Trev Burrow, assistant executive secretary, those throughout the central division, while Laurence Canfield, secretary, and W. F. Williams, executive secretary, handled those in southern California.

The next series of regional meetings is scheduled for the fall, just before the N.A.I.A. annual meeting.

## Bailey to Milwaukee Agency

Howard W. Bailey, Jr., has resigned as president of the Pettibone local agency at LaCrosse, Wis., to join the Thorning agency of Milwaukee. Mr. Bailey after military service started in insurance with Wisconsin Rating Bureau and later went with Atlas as state agent. He went into the agency business two years ago. His grandfather was with American of Newark for many years and his father is Wisconsin state agent of the Meserole group.

## Mutual Celebration in Miss.

As a part of the nationwide celebration of the 200th anniversary of mutual insurance, Mississippi Mutual Agents Assn., in cooperation with Dixie 1752 Club, will stage a banquet March 25 at Jackson.

The principal speaker will be Hodding Carter, author and lecturer, editor of the Greenville (Miss.) Delta Times and Pulitzer prize winner.

The 200th anniversary committee for Mississippi is composed of Hubert O'Donnell, Northwestern Mutual, chairman; J. A. Tanselle, Grain Dealers; Albert Kossman, Kossman agency, Greenville, and H. G. McGee, Reid-McGee agency, Jackson, who is banquet chairman.

## Hubbard-Dudley Feted

The staff of the Hubbard-Dudley agency of Battle Creek, Mich., was entertained by Great American on the occasion of their 75th year of association. John D. Dudley, president and treasurer, was presented with a combination barometer and thermometer with an inscription. Great American in 1877 designated H. H. Hubbard as its first Battle Creek agent and this became Hubbard-Dudley when the late

Lee A. Dudley joined the agency in 1930. John Dudley has been with the agency since 1946.

Representing Great American at the dinner were R. D. Billings, secretary and Frank Whitford, executive assistant, both of Chicago, and Charles L. Beaver of Grand Rapids, Michigan state agent.

## Plan Wis. Mutuals' "200th"

Plans for the Wisconsin observance of the 200th anniversary of mutual insurance were advanced at a meeting at Stevens Point. Herman L. Toser, general underwriting manager of Hardware Mutuals, chairman of the state committee, presided. Also attending were John W. Joanis, assistant secretary of Hardware Mutuals and chairman of the Wisconsin Mutual Alliance committee; Junias H. Pleuss, secretary of Manitowoc Mutual Fire, and Lloyd Yaudes, director of public relations both on the Alliance anniversary committee. The climax of the Wisconsin observance will be dinner program March 25 at Milwaukee, Madison, La Crosse, Wausau, Eau Claire, Green Bay, Oshkosh, Janesville and Sheboygan.

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## HIGH SPOTS IN HISTORY 31: DELAWARE



### NEW SWEDEN IS ESTABLISHED

Peter Minuit, who was an employee of the Swedish government, headed the first permanent colony on the soil of Delaware. The fort established was named after Queen Christina. It is near the present site of Wilmington.



### DELAWARE BECOMES FIRST STATE

Delaware became the first state of the union, as it ratified the Federal Constitution December 7, 1787. Its representatives today always lead the parade of states when a president is inaugurated.

## ALSO A HIGH SPOT . . .

. . . among insurance agents is the service of these great companies.

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## New Legislation Poses Ga. Hurdle for Bankers L. & C. Following Court Victory

Bankers Life & Casualty of Chicago has now had to shift to the defense in a prolonged uphill-downhill battle with Commissioner Cravey of Georgia.

The company had its inning when the Georgia supreme court held that Mr. Cravey was exceeding his authority in refusing to license the company on the ground that it would not furnish him certain items of information. These items, the supreme court held, were within the field of management.

Mr. Cravey since succeeded in getting the legislature to enact a law giving the commissioner far greater powers in licensing insurance companies. Following the supreme court decision, counsel for Bankers Life & Casualty filed a motion in Fulton superior court, asking that the supreme court ruling be made the order of the lower court. There was to have been a hearing on this case last Thursday, but this was postponed due to the illness of Alex McLennan, counsel for Bankers. In preparation for the hearing that was postponed, the attorney general filed a motion to dismiss the suit and an amendment to the pleadings. It is contended that the new Georgia law gives Mr. Cravey the authority to require production of the information that the originally asked from Bankers. Also the attorney general contends that the new law in effect reverses the decision of the supreme court. The amended pleading said that Mr. Cravey is not satisfied that Bankers has fully complied with Georgia laws and is still not convinced that its "financial condition and affairs are sound."

John MacArthur, president of Bankers, was quoted as saying that his company probably would bring action charging Mr. Cravey with contempt of the supreme court. He expressed confidence that the attorney general's motion would be denied and that the new legislation would be declared to be unconstitutional.

### Four Hours Too Late

WASHINGTON—The U. S. court of appeals here has affirmed a lower court ruling denying to the estate of Mr. and Mrs. Ralph F. Miller, Chevy Chase, Md., proceeds of a \$30,000 accidental death policy, which was held to have expired less than four hours before both were killed in an airplane crash here at 11:45 a.m., Nov. 1, 1949.

The couple had taken out a 31-day policy from Continental Casualty before leaving on an air round trip to England. The court held the policy gave coverage for 31 days beginning 8 a.m., Oct. 1, and was not in effect when the accident occurred. The Miller estate attorney had contended policy terms were ambiguous and should be construed most favorably to the Millers.

### McCandless Opens Agency

H. R. McCandless, Jr. has opened his own insurance agency in the Reserve Loan Life building at Dallas. He has had 17 years insurance experience.

### Farm Bureau Promotes Seeds

Robert E. Seeds has been promoted to director of underwriting reports and controls for the Ohio Farm Bureau companies. Mr. Seeds joined the companies in 1940 in the policy file and life premium departments. After service in the naval air corps he attended Ohio State University and returned to the companies in the New York underwriting division, later serving as staff assistant to the manager of underwriting operations.

### Brokers Plan May Session

Immediately preceding the meeting of the insurance conference of American Management Assn., directors of National Assn. of Insurance Brokers will hold their annual meeting in New York City May 15-16. John O. Cole, New

York, is in charge of arrangements. Thomas W. Sweeney and T. W. Bailey, both of New York, head the nominating committees for directors and officers.

### Satterlee to Join Reed

John F. Satterlee, until recently with Atlas as general adjuster, will join Prentiss B. Reed & Co. in March.

Mr. Satterlee was for many years a special agent of Atlas in the Carolinas. He was at the head office about seven years. After leaving Atlas he spent some time as an independent adjuster in North Carolina.

George P. Good, former Philadelphia claim manager, has been appointed to the same position at Buffalo by Standard Accident. Daniel G. C. Silber succeeds him at Philadelphia.

Continental Casualty has appointed Peter J. Hodgson, 26, chief underwriter for Canada. He is said to be the youngest chief underwriter for any company operating in the Dominion.

R. J. Mullen, St. Louis general agent of American Credit Indemnity, spoke on "Credit Insurance and Your Business" at a luncheon meeting of the St. Louis Insured Members' Conference.

## Set Up Program for Auto and Casualty Conference of Mutual Men at Chicago

The program has been completed for the underwriting conference of the general casualty underwriting committee and the auto underwriting committee of Conference of Mutual Casualty Companies at Chicago March 6-7.

The first day will be devoted to general casualty lines, and the second to automobile.

The meeting will be opened with a talk by Tom Smith of Auto Owners of Lansing on rating methods, and this subject will be taken up by a panel of six company men. R. J. Lemley, Employers Mutual Casualty of Des Moines, will talk on problems of writing general liability for new types of industry such as liquefied petroleum gases.

In the afternoon LeRoy Bruce, Employers Casualty, will discuss medical payments on O.L.&T., M. & C., comprehensive general liability. George J. Starman, Iowa National Mutual, will speak on jumbo property damage limits for general liability. There will be a panel conducted by E. L. Brandt, Auto Owners, on general liability problems.

At the automobile session Friday, the

first speaker will be D. W. Jeffers, Farm Bureau of Ohio, on objective and functions of automobile underwriting, and he will be followed by H. A. Langstaff of the Farm Bureau on characteristics of accident prone and accident repeater risks; H. W. Hayes, Farmers Mutual Auto of Wisconsin on controlling automobile excess losses, and W. L. Trankle, Farmers Mutual Liability, on public relations and automobile cancellations.

In the afternoon, Dr. Robert McMurry of Chicago will talk on "A Psychologist Looks at Underwriting," and there will be a panel on current automobile underwriting problems with L. E. Benson, Mutual Service Casualty as moderator.

### Casualty Meeting Oct. 4-8

The annual meeting of International Assn. of Casualty & Surety Underwriters and National Assn. of Casualty & Surety Agents at White Sulphur Springs, W. Va., is scheduled for Oct. 4-8.

Byron Murray, safety engineer of Hartford Accident, spoke at a dinner meeting of Dodge County Assn. of Insurance Agents at Waupun, Wis. At the March meeting at Beaver Dam. A Dodge county highway patrolman will discuss highway safety.

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## Ohio Mutual Agents Meet at Dayton April 17-18

Ohio Assn. of Mutual Insurance Agents will hold its annual convention at the Biltmore Hotel, Dayton, April 17-18, with Senator Bricker of Ohio as the dinner speaker. O. K. Medsger of Dayton is general convention chairman. The program will include Prof. E. A. O'Leary of University of Dayton on "The Economic Future of the Insurance Agent;" L. H. Jones, Mansfield, secretary Druggists Mutual, "Our Inheritance;" August Pryatel, deputy insurance superintendent of Ohio, on new developments in the insurance business; R. H. Miller, Columbus, manager Ohio assigned risk plan, on the agents' problems in assigned risks; B. T. Terry, district manager Retail Credit Co., on credit investigation; P. H. Dubuc, Shelby, agency secretary Shelby Mutual Casualty, on comprehensive liability; Paul Gingham, Columbus attorney, on legislative developments, and E. F. High, Columbus, president National Assn. of Mutual Insurance Agents and past president of the Ohio association, on developments at the national level.

## Award Big U. S. Contracts

Zoss Construction Co., Portland, Ore., has been awarded the contract for construction of five warehouse buildings and appurtenances at the Auburn general depot, Auburn, Wash., at \$3,793,188. U. S. F. & G. is on the payment and performance bond. Ford J. Twait's Co., Los Angeles, has been awarded a contract for a \$1,109,969 warehouse project at the Norton air force base, part of a \$22 million expansion there. The contract calls for the construction of six "fill-in" warehouses. Fidelity & Deposit, through its Los Angeles office, has executed the bond on the work.

## Call N. D. Traffic Conference

Gov. Brunsdale of North Dakota has called a traffic safety conference for March 7. He says that in 1951 there were 148 deaths and \$5,195,000 in property damage as the result of traffic accidents in the state. The conference has two aims, first, immediate action to check losses and, second, a long-term safety program.

## Ohio Precedent Shattered

COLUMBUS — A recent Ohio supreme court case has virtually done away with the precedent, of long standing, that a minor may not recover from his parent for injuries arising out of the parent's negligence. The case has been decided in favor of the plaintiff, a minor, who was injured while on the premises of his father's gasoline station. The older ruling dated to 1891. The new case, decided Feb. 13, is Signs vs. Signs 156 Ohio St. 566. This change has caused concern among casualty claim managers.

## Take Over Bassett Agency

The Tacoma, Wash., agency of the late Arthur H. Bassett has been purchased by W. W. Fry and Robert H. Thoren. Mr. Fry is resigning as insurance manager of Ward Smith, Inc., and Mr. Thoren is leaving W. H. Opie & Co. They will continue the agency under the name of Arthur H. Bassett.

# ACCIDENT

## A. & H. Not a Sideline, Kaliff Tells Austin Group

Morris Kaliff, San Antonio general agent of Continental Assurance, speaking at the Feb. 19 lunch of Austin Assn. of Accident & Health Underwriters, said that A. & H. should not be regarded as a sideline but as a field requiring study to the extent that the salesman has a complete knowledge of the service he and his company are offering, as well as a good idea of what other companies are providing.

Describing his approach, Mr. Kaliff said he does not carry a brief case, and he meets his prospect's secretary by saying, "I am Mr. Kaliff, I want to talk to Mr. Smith about his income."

He said this is an open sesame because everyone is ready to talk about his income. Mr. Kaliff said he makes the same approach to the prospect with variations to suit the situation and the character of the prospect. He asks his prospect to name his most valuable asset and follows this with the question as to what assurance the prospect has that his income will continue forever. Then Mr. Kaliff shows how the continuance of income may be guaranteed when illness or accident disable the worker and as he proceeds with his presentation he secures the necessary information and has filled out the application by the time he is ready to close. He then asks the prospect if he will verify the statements on the application.

In questioning the prospect, Mr. Kaliff first asks for height and weight, next for health history as to sickness and the character of the ailments as well as their seriousness. When making the presentation he concentrates on the policy which he believes best fits the needs of his prospect and he stressed the importance of selling the policy correctly. This, he said, is essential to growth and to conservation of business.

When asking for the check Mr. Kaliff suggests that the prospect make a deposit, trying first for an annual premium and if necessary for a semi-annual or quarterly premium. He concentrates on prospects of adequate income to justify the purchase of a policy which will provide comparatively large monthly benefits. He advised the selling of medical reimbursement to those who have a good income.

## Conn. General Offers Family Major Medical Expense Form

Connecticut General Life is making available to policyholders a new type of major medical expense protection for families.

It pays for care and treatment while in the hospital and for a six months' convalescence period following hospital confinement. It includes up to \$200 for payment for diagnosis and treatment during the two months preceding hospitalization.

There is a choice of deductibles, either \$300 or \$500. Then the company pays 75% of the rest of the expenses, up to a total of \$5,000. Connecticut General last year announced similar major medical expense protection on a group insurance basis.

## Reynolds Acting Manager

William G. Reynolds has been appointed acting manager of the Boston A. & H. branch of Continental Casualty. He was previously with Continental's Chicago A. & H. branch.

## Peterson to Seattle Post

Burton E. Peterson of Minneapolis has been named agency manager at Seattle for western Washington by Woodmen Accident and Woodmen Central Life. He succeeds C. Les Adams who has been manager there. Mr. Peter-

son joined the Woodmen companies in 1945. He is a son of Nels J. Peterson, district manager at Little Falls, Minn., a past president of the President's Club of the Woodmen companies.

## Joins Bureau Staff

George E. Martel has joined the staff of Bureau of A. & H. Underwriters. He was with the navy in the war and graduated with a master's degree from the University of Massachusetts.

A. & H. Club of New York will have entertainment featuring movies of the last annual outing at its March 11 meeting.

Paul M. Klein of Kansas City has been elected a director of Accredited Hospital & Life of St. Louis. He was formerly assistant manager of the A. & H. division of Employers Reinsurance, resigning to become president of Mid-American agency at Kansas City, specializing in A. & H.

## Lamal Heads Ashland Group

George Timm, Kenosha, president of the Wisconsin Assn. of Insurance Agents, and Urban Krier, executive secretary, appeared at the dinner meeting

of Top of Wisconsin Assn. at Ashland to discuss association activities and invite agents to the midwest territorial conference at Milwaukee March 24-25.

L. A. Lamal, Ashland, was elected president to succeed Roy Hogan; John H. Juda, Cable, was named vice-president, and Renee Dunn, Ashland, secretary.

## Install Cats Meow Officers

Charles DeWitt, local agent, new head of the St. Louis Court of Cats Meow, and other officers were installed at its annual stag party.

Robert L. Burnes, sports editor of the St. Louis Globe-Democrat, gave some amusing highlights of Mr. DeWitt's career as traveling secretary of the St. Louis Browns, and other stories of the sports world.

## Advance Shelbyville, Tenn.

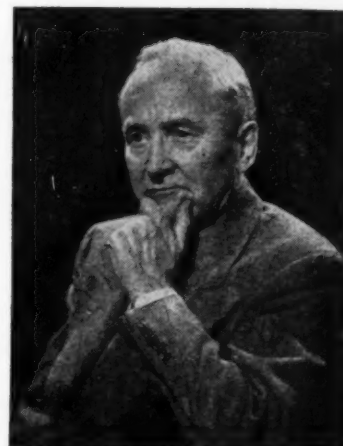
Tennessee Inspection Bureau has announced that Shelbyville is being advanced from seventh to sixth class in fire rating and a 5% cut in insurance premiums is expected.

S. E. Holmes, agency secretary of Royal-Liverpool, has been visiting agencies at San Antonio, Houston and Dallas.

# DO YOU EVER HAVE A PROBLEM LIKE THIS?

## PROBLEM:

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## Now Time to Assess Group A. & H. Lines

(CONTINUED FROM PAGE 10)

utilization, increase directly as inflation pushes up the level of charges.

Stipulated limits in the schedule protect insurers from inflation under the standard surgical coverage, but newly announced major medical expense insurance is wide open to inflationary forces, he said.

The influence of inflation on hospital and medical expense insurance will continue as long as inflation itself, indefinitely. Insurers will have to keep a closer watch on experience and should tell employers and others with whom they deal in the sale of benefits, costs may be expected to rise on this account.

### EXPERIENCE

In the period 1936-1951, when premiums grew from \$26 million to \$750 million, the distribution of premiums by line has changed radically. In 1936 the business consisted almost entirely of weekly indemnity and accidental death and dismemberment benefits. Today hospital, surgical and medical expense insurance accounts for approximately 55% of the total, weekly indemnity 42%, and accidental death and dismemberment 3%.

The business has been in a loss position for the last two and possibly the last three years, he said, though the very growth of the business has been an important factor in bringing about the present condition. Furthermore, the strain produced on surplus because of the heavier initial expense incurred on the writing of new business may be fully justified. There is every expectation that first year costs, if they are of reasonable proportions, will be recovered from pre-

miums in subsequent renewal years.

On weekly indemnity experience was very poor in 1943 and 1944 and continuing into 1945. In 1944, the worst year, the loss ratio was 20% of premiums higher than pre-war levels. The contrast during these years between the weekly indemnity and hospital and surgical expense experience is striking. The latter loss ratios remained almost constant.

### Weekly Indemnity

In 1946, weekly indemnity experience regained the pre-war level of less than 65% of premiums; it did not exceed 65% except in 1951 when there was an upturn of about 6%.

Loss ratios under the hospital, surgical and medical expense coverages combined have climbed steadily from a percentage of incurred losses to premiums of 62% in 1946 to 80% in 1951, or more than 3% of premiums per year. The picture under hospital expense insurance is essentially the same as for surgical expense, and similar increases are present for both employee and dependent coverage. The 1951 claim ratio level of 83% for employee and dependent hospital expense is somewhat higher than the 77% under surgical expense.

The trend of loss ratios under the medical expense coverages does not correspond, although they are of course based upon a much more modest and probably less representative experience. Medical expense claim ratios have remained relatively constant during the last three years and at the respectable levels of between 60% and 65% of premiums.

He cautioned that these are the figures of one company, Equitable, though he believes they are not atypical.

## Casualty Rates Up Only 13%; Consumers Prices Rise 89%

(CONTINUED FROM PAGE 10)

1950. These figures do not take into consideration the further increases in car prices and repair costs which have taken place since the Korean war.

The modern design of cars has also had its effect on claim costs for property damage, Mr. Leslie emphasized.

While rates for general liability insurance rose an average of 9%, some coverages in this line were priced below and others above the prewar level. Rates for O.L.&T. and elevator liability insurance rose above the prewar level, while manufacturers' and contractors' liability and product liability rates declined below that level.

Inflation, higher hospital costs, medical expenses, jury awards, have also been a factor tending to increase claim costs under all general liability coverages, Mr. Leslie pointed out.

### Burglary, Theft and Robbery

During the last war the crime rate declined and burglary rates were reduced, dropping finally in 1945 to a point almost 15% below prewar. But with the end of the war, the crime rate started to climb again and insurance rates rose accordingly. Nevertheless, at the close of 1951, the countrywide average rates were still 2% below prewar.

The 13% increase in boiler and machinery insurance rates over prewar was attributed to a number of factors, including inflation. Inspection costs have increased. Higher labor and material costs have also tended to increase the amount of extra expense paid under a policy for repair work—frequently involving overtime pay schedules—in order to prevent business stoppage or reduce its duration.

Glass insurance rates pursued a fairly even course from 1939 to 1946, but in November of 1946, the office of price administration relinquished controls over glass prices and the cost of replacement began to increase steadily and sharply. Since 1946, replacement cost of glass in the New York metropolitan area, for example, increased 90%, which meant that a glass replacement job that cost \$100 under OPA controls cost \$190 in

1951. Inasmuch as glass insurance rates are directly related to replacement costs, the rise in prices, it was said, had the effect of increasing the countrywide average rate to 78% above prewar.

## Company Figures Show Results of 1951 Operations

(CONTINUED FROM PAGE 15)

	Premiums Earned	Losses Incurred
<b>Mill Owners Mut. Fire—Assets, \$6,612,135.</b>		
Inc., \$512,556. Loss res., \$364,425. Unearned prem., \$3,728,020. Surplus, \$2,230,887, inc., \$120,423.		
Fire .....	2,866,856	1,097,566
Ext. coverage .....	629,943	207,330
Torn., wind., hail .....	75,907	27,403
Sprinkler & water dam. ....	15,670	15,191
Expl., riot, civil comm. ....	484	2
Earthquake .....	5,327	
Inland marine .....	173,007	76,972
Auto phys. damage .....	26,539	20,785
Excess fire reins. ....	—34,293	65,835
Totals .....	3,659,440	1,511,084

<b>Millers Mut., Ill.—Assets, \$9,659,450, inc., \$860,307. Loss res., \$295,386. Unearned prem., \$3,636,102. Surplus, \$5,405,457, inc., \$598,332.</b>		
Fire .....	3,181,102	1,067,607
Ext. coverage .....	489,983	183,389
Torn., wind., hail .....	151,372	75,297
Sprinkler & water dam. ....	5,840	581
Expl., riot, civil comm. ....	352	28
Earthquake .....	3,164	
Inland marine .....	121,132	51,503
Auto phys. damage .....	579,409	213,528
Excess reins. ....	122,004	—9,429
Totals .....	4,645,371	1,582,517

<b>Monarch Life—Assets, \$33,686,356, inc., \$4,437,810. Loss res., \$5,084,784. Unearned prem., \$2,561,031. Capital, \$1,000,000. Surplus, \$6,226,705, inc., \$744,046.</b>		
Accident only .....	29,319	10,883
Health and Acc. ....	100,367	61,417
Group A. & H. ....	85,050	82,063
Non-Can. A. & H. ....	9,810,541	4,934,180
Hosp. and med. exp. ....	462,334	280,110
Totals .....	10,487,613	5,368,655

<b>Motorists Mut.—Assets, \$7,538,696, inc., \$1,195,087. Loss res., \$1,449,375. Unearned prem., \$2,624,125. Surplus, \$2,377,942, inc., \$242,065.</b>		
Accident .....	16,375	6,718
Liability (not auto) .....	86,059	15,903
Auto liability .....	1,795,116	799,708
Auto prop. damage .....	1,321,642	757,888
Auto phys. damage .....	2,275,000	1,051,165
Prop. dam. (not auto) .....	36,133	8,314
Burglary & theft .....	1,132	902
Totals .....	5,531,562	2,640,598

<b>Motorists—Assets, \$35,611,455, dec., \$3,830,393. Loss res., \$1,325,918. Unearned prem., \$17,805,235. Capital, \$1,500,000. Surplus, \$8,618,501, dec., \$1,303,638.</b>		
Auto phys. damage .....	29,510,930	13,873,647

<b>National Fire, Conn.—Assets, \$99,242,706, inc., \$9,493,118. Loss res., \$9,717,506. Unearned prem., \$46,271,489. Capital, \$5,000,000. Surplus, \$39,157,597, inc., \$2,936,427.</b>		
Fire .....	20,595,364	8,885,292
Ext. coverage .....	4,363,901	1,925,590
Torn., wind., hail .....	233,717	306,511
Sprinkler & water dam. ....	76,495	13,194
Expl., riot, civil comm. ....	36,306	2,854
Earthquake .....	60,639	21,735
Crop-hail .....	202,691	106,051
Ocean marine .....	497,434	356,190
Inland marine .....	2,582,482	1,361,515
Aircraft phys. damage .....	80,404	33,223
Accident .....	42,191	16,634
Health .....	1,568	540
Group A. & H. ....	175	—2
Workmen's comp. ....	528,920	452,281
Liability (not auto) .....	600,049	305,871
Auto liability .....	2,706,888	1,780,378
Auto prop. damage .....	1,347,074	1,071,918
Auto phys. damage .....	2,336,844	3,549,884
Prop. dam. (not auto) .....	101,904	67,134
Fidelity .....	65,366	28,761
Surety .....	177,300	161,824
Glass .....	86,892	42,533
Burglary & theft .....	173,416	67,923
Totals .....	41,898,023	20,558,254

<b>National Union, Washington, D. C.—Assets, \$851,568, inc., \$7,465. Loss res., \$6,292. Unearned prem., \$229,917. Capital, \$300,000. Surplus, \$571,239, dec., \$110.</b>		
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<b>Fire .....</b>	<b>99,826</b>	<b>26,844</b>
<b>Ext. coverage .....</b>	<b>29,553</b>	<b>9,461</b>
<b>Totals .....</b>	<b>129,379</b>	<b>36,305</b>

<b>New Jersey Mfrs. Cas.—Assets, \$24,466,171, inc., \$1,026,533. Loss res., \$7,844,517. Unearned prem., \$2,631,437. Capital, \$600,000. Surplus, \$10,838,757, dec., \$177,047.</b>		
Workmen's comp. ....	11,322,379	7,701,846
Liability (not auto) .....	43,459	94,621
Auto liability .....	1,379,539	611,944
Auto prop. damage .....	15,952	8,321
Prop. dam. (not auto) .....	235,996	125,351
Totals .....	13,387,725	8,542,551

<b>New York Underwriters—Assets, \$17,441,284, inc., \$982,492. Loss res., \$1,300,392. Unearned prem., \$5,844,812. Capital, \$2,000,000. Surplus, \$9,075,216, inc., \$235,052.</b>		
Fire .....	3,121,440	1,467,584
Ext. coverage .....	599,191	293,281
Torn., wind., hail .....	20,583	14,408
Sprinkler & water dam. ....	11,234	4,907
Expl., riot, civil comm. ....	4,114	4,902
Earthquake .....	5,316	
Crop-hail .....	22,021	5,701
Ocean marine .....	460,346	245,199
Inland marine .....	335,890	132,117
Auto liability .....	15,261	16,373
Auto prop. damage .....	8,204	5,791
Auto phys. damage .....	697,505	320,087
Flood .....	2	
Totals .....	5,304,107	2,511,576

<b>Nodak Mut., N. D.—Assets, \$1,097,718, inc., \$178,077. Loss res., \$146,952. Unearned prem., \$245,189. Surplus, \$502,870, inc., \$106,150.</b>		
Liability (not auto) .....	32,521	5,291
Auto liability .....	169,149	47,076
Auto prop. damage .....	74,596	62,735
Auto phys. damage .....	438,552	245,199
Glass .....	7,318	1,576
Livestock .....	10,820	6,799
Farm machinery, fire & theft .....	3,805	767
Totals .....	750,966	369,681

<b>Northwestern F. &amp; M.—Assets, \$5,662,051, inc., \$472,036. Loss res., \$301,892. Unearned prem., \$1,639,242. Capital, \$1,000,000. Surplus, \$5,339,930, inc., \$329,434.</b>		
Fire .....	812,557	337,432
Ext. coverage .....	169,050	93,830
Torn., wind., hail .....	17,794	4,180
Sprinkler & water dam. ....	3,470	812
Expl., riot, civil comm. ....	1,223	—
Earthquake .....	1,647	
Crop-hail .....	26,931	17,016
Ocean marine .....	57,543	30,540
Inland marine .....	175,311	91,907
Aircraft phys. damage .....	2,916	1,554
Auto prop. damage .....	182	—
Auto phys. damage .....	384,505	178,727
Rain & flood .....	818	319
Totals .....	1,653,947	756,300

<b>Northwestern Mut. Fire—Assets, \$34,414,397, inc., \$3,790,624. Loss res., \$1,604,631. Unearned prem., \$19,559,169. Surplus, \$11,810,290.</b>		
Fire .....	13,896,338	4,218,560
Ext. coverage .....	2,591,120	887,841
Torn., wind., hail .....	80,439	15,929
Sprinkler & water dam. ....	23,604	14,627
Expl., riot, civil comm. ....	2,434	162
Earthquake .....	21,319	—
Inland marine .....	1,200,669	449,443
Auto phys. damage .....	154,066	62,649
Totals .....	16,969,993	5,647,891

<b>Northwestern Natl.—Assets, \$37,611,880, inc., \$2,786,949. Loss res., \$1,765,999. Unearned prem., \$16,229,246. Capital, \$3,200,000. Surplus, \$18,255,357, inc., \$2,047,747.</b>		
Fire .....	6,843,145	2,583,524
Ext. coverage .....	2,242,634	1,263,091
Torn., wind., hail .....	29,756	17,491
Expl., riot, civil comm. ....	676	
Earthquake .....	13,778	
Ocean marine .....	298,698	240,595
Inland marine .....	661,132	307,241
Auto phys. damage .....	2,066,154	817,991
Totals .....	12,155,973	5,229,941

<b>Northwestern Natl. Cas.—Assets, \$7,972,013, inc., \$975,151. Loss res., \$2,932,395. Unearned prem., \$2,208,422. Capital, \$500,000. Surplus, \$2,415,838, inc., \$267,741.</b>		
Liability (not auto) .....	209,314	91,651
Auto liability .....	2,158,115	1,161,231
Auto prop. damage .....	1,230,017	745,821
Auto phys. damage .....	176,112	60,291
Prop. dam. (not auto) .....	15,255	3,294
Glass .....	72,099	32,691
Burglary & theft .....	70,455	24,673
Totals .....	3,931,366	2,119,674

The Perfect Hotel for Successful Sales Meetings!



### Check these points —

- ✓ Centrally located just 45 minutes from the heart of Chicago in suburban Highland Park.
- ✓ Stately Georgian buildings surrounded by 21 beautiful wooded acres overlooking Lake Michigan.
- ✓ No commercial distractions, no city turmoil. Keep your men together in a quiet "country home" work-inspiring atmosphere.
- ✓ Private beach and every recreational facility on the grounds or close by.
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Convention or sales groups given first preference year 'round. Write for full information.

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HIGHLAND PARK, ILLINOIS

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## A HOSPITAL EXPENSE PLAN

PAYING

From \$5 to \$10 a day for 100 days accident or illness. Plus 10 times the daily rate for miscellaneous expense. Plus 3 times the daily rate for emergency expense for injury.

TO WHICH MAY BE ADDED

Surgical expense providing \$125, \$225 or \$300 maximum. Medical expense providing \$3 daily for doctor's visits in hospital.

**New Amsterdam**  
Casualty Company

BALTIMORE

NEW YORK



Premiums Earned		Losses Incurred		Premiums Earned		Losses Incurred	
<b>Oregon Mut. Fire—Assets, \$6,804,134, Incr., \$1,023,016.</b> Loss res., \$201,073. Unearned prem., \$4,306,155. Surplus, \$2,128,117, Incr., \$40,589.				<b>St. Paul Mut. Fire—Assets, \$751,289, Incr., \$99,477.</b> Loss res., \$15,650. Unearned prem., \$496,328. Surplus, \$202,848, Incr., \$29,589.			
Fire	2,469,025	801,136	1,851	53	220,102	103,349	2,517
Ext. coverage	3,605,541	217,136	1,851	53	220,102	103,349	2,517
Torn. wind, hail	18,050	13,154	1,851	53	220,102	103,349	2,517
Sprinkler & water dam.	502	169	1,851	53	220,102	103,349	2,517
Earthquake	1,088	400	1,851	53	220,102	103,349	2,517
Exp. riot, civil comm.	4,573	17,028	1,851	53	220,102	103,349	2,517
Earthquake	4,573	17,028	1,851	53	220,102	103,349	2,517
Inland marine	225,775	75,246	1,851	53	220,102	103,349	2,517
Auto phys. damage	—15,245	—10,297	1,851	53	220,102	103,349	2,517
Excess of loss	3,080,447	1,109,187	1,851	53	220,102	103,349	2,517
Totals	3,080,447	1,109,187	1,851	53	220,102	103,349	2,517
<b>Pawtucket Mut. Fire—Assets, \$5,975,775, Incr., \$357,004.</b> Loss res., \$249,421. Unearned prem., \$2,964,495. Surplus, \$2,459,987, Incr., \$135,378.				<b>Scottish Union &amp; Natl.—Assets, \$1,120,736, Incr., \$108,027.</b> Loss res., \$107,974. Unearned prem., \$637,729. Deposit, \$500,000. Surplus, \$3,086,936, Incr., \$348,718.			
Fire	1,338,257	396,616	1,338,257	396,616	1,338,257	396,616	1,338,257
Ext. coverage	250,207	1,477	1,338,257	396,616	1,338,257	396,616	1,338,257
Torn. wind, hail	1,978	3,252	1,338,257	396,616	1,338,257	396,616	1,338,257
Sprinkler & water dam.	1,470	—39	1,338,257	396,616	1,338,257	396,616	1,338,257
Earthquake	—	—	1,338,257	396,616	1,338,257	396,616	1,338,257
Exp. riot, civil comm.	—	—	1,338,257	396,616	1,338,257	396,616	1,338,257
Earthquake	3,128	135	1,338,257	396,616	1,338,257	396,616	1,338,257
Inland marine	1,199,183	518,465	1,338,257	396,616	1,338,257	396,616	1,338,257
Auto phys. damage	2,794,685	919,907	1,338,257	396,616	1,338,257	396,616	1,338,257
Totals	2,794,685	919,907	1,338,257	396,616	1,338,257	396,616	1,338,257
<b>Pa. Mfrs. Assn. Cas.—Assets, \$29,826,737, Incr., \$537,444.</b> Loss res., \$10,972,221. Unearned prem., \$5,979,855. Capital, \$750,000. Surplus, \$5,790,865, Incr., \$322,951.				<b>Selected Risks Indem., N. J.—Assets, \$5,732,831, Incr., \$438,519.</b> Loss res., \$1,618,575. Unearned prem., \$1,767,421. Capital, \$650,000. Surplus, \$1,982,607, Incr., \$88,620.			
Fire	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Ext. coverage	653,851	222,508	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Torn. wind, hail	1,382,476	817,632	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Sprinkler & water dam.	839,937	515,939	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Earthquake	35,988	22,817	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Exp. riot, civil comm.	—	—	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Earthquake	14,010,700	7,356,817	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
Totals	14,010,700	7,356,817	9,935,192	5,507,579	9,935,192	5,507,579	9,935,192
<b>Pa. Mfrs. Assn. Fire—Assets, \$2,232,791, Incr., \$58,734.</b> Loss res., \$35,000. Unearned prem., \$190,637. Capital, \$300,000. Surplus, \$1,846,141, Incr., \$40,141.				<b>Southeastern Fire, N. C.—Assets, \$3,456,297, Incr., \$292,558.</b> Loss res., \$122,304. Unearned prem., \$2,088,024. Capital, \$200,000. Sur			

# INSURANCE NEWS BY SECTIONS

## PACIFIC COAST AND MOUNTAIN

### Hayman Opens New L. A. Adjusting Organization

Ben I. Hayman has opened an independent adjusting office at Los Angeles majoring in casualty and automobile. Mr. Hayman has been an adjuster since



B. I. HAYMAN

1922 when he started with Joseph Rice and M. J. O'Brien who were operating Casualty Service Co. at Chicago. For a year he was with the claim department of Hartford Accident and then rejoined Casualty Service. When Messrs. Rice and O'Brien separated, Mr. Hayman went with Joseph Rice & Co. as a limited partner, later becoming sole owner. In 1945 he closed that concern and opened an adjusting office at Yakima, Wash., and in 1950 he sold that to a Seattle organization.

### Make 75% Settlement on Wash. Subrogation Suit

A subrogation claim against Seattle Gas Co. by fire companies that paid \$210,230 on the Buttnick Manufacturing Co. explosion and fire loss at Seattle has been settled for \$157,672 on a 75% basis. Lloyds carried the excess property damage cover on a low deductible form.

The three-story structure was demolished by a gas explosion and ensuing fire July 14, 1950.

The companies contended that leakage in gas which set off the explosion in the basement occurred in the meters or on the gas company's side of the meter as a result of negligence in failing to properly inspect worn and defective equipment.

### OK Writing Replacement Cover Separately in Wash.

Commissioner Sullivan of Washington has issued an order interpreting the replacement insurance section of the code as not prohibiting issuance of a separate policy covering the difference between replacement and depreciated value.

This permits issuance of a policy as a surplus line, at the equivalent of admitted rates, to cover replacement value. Heretofore, it was not permissible to issue a separate policy. Replacement cover could be written only as an endorsement to a regular fire policy. This posed a problem with large risks where capacity was exhausted and where replacement cover was desired.

### Auto School at Honolulu

A school for adjusters of automobile material damage losses has been started at Honolulu under the general outline developed by Automobile General Adjusters Assn. of San Francisco through its available garage plan. About 20 working adjusters make up the class attending a 20-week course.

The plan, conceived and developed by the general adjusters with the cooperation of a number of leading repair shop proprietors, has received considerable publicity in the Policyholders & Insurance Journal of Manchester, Eng.

### Irish Insurer to Enter Cal.

Hibernian Fire & General of Dublin has applied for admission to California. Finn, Smith & Medcraft of San Francisco will be managers.

### A. M. Jones Joins Agency

A. M. Jones has retired as manager at Seattle for Northwestern National under the company's retirement program. He was with the company for 38 years, three in California and 35 in Seattle.

Mr. Jones recently joined the Brown general agency of Seattle as a field man.

### To Handle King County Cover

The Culliton & McDonald agency at Seattle has been selected by the King county board to assist the Arthur S. Morgenstern agency with the servicing of county insurance. Under the arrangement, recommended by the public business committee of King County Insurance Assn., Culliton & McDonald will succeed the Morgenstern agency as servicing agent at the end of 1952. The action followed the recent death of Mr. Morgenstern.

## SOUTH

### G.A.B. Has Changes at Savannah and Durham

Lewis M. Little, senior adjuster at the Savannah office of General Adjustment Bureau, has been elevated to manager there succeeding Donald A. Fraser, who has been placed on the inactive list owing to ill health. Mr. Fraser has been with G.A.B. since 1921.

Mr. Little started with the bureau in 1937 at Savannah, and later served at Norfolk, Va., and Tupelo, Miss., as manager until 1948 when he returned to Savannah at his own request.

G.A.B. has established a branch office at Durham, N. C., with C. L. May, Jr., who has been senior adjuster at Greensboro, as adjuster in charge. Mr. May began with G.A.B. in 1946 at Greensboro after having spent four years in the navy. The Durham office will be under the general supervision of H. H. Moore, manager at Raleigh.

### Ladies Plan Regional

Insurance women of Louisiana, Texas, Arkansas, New Mexico and Oklahoma will convene March 21-23 at Oklahoma City for a conference of Region VI of National Assn. of Insurance Women. Mrs. Dean Vorhes, Corpus Christi, regional director, will preside, and among those attending will be Miss Mary Gambill of Little Rock, president of the national association. About 200 ladies are expected.

### Ask Va. State Cover Data

RICHMOND—A resolution to require all State and department heads to report on insurance carried and from whom it was bought, has been approved by the house committee on insurance. However, the provision that reports must be made within 10 days after adoption of the measure was deleted and the words "as soon as practicable" substituted.

This might mean that the information would not become available at this session, which is scheduled to end March 8.

The committee also reported a bill to make it a felony to enter wilfully a fraudulent claim for insurance, sponsored by Edmund T. DeJarnette. Robert Carter of the state fire marshal's office and Glenn Shiffin, special agent of National Automobile Thefts Bureau, told the committee the bill is badly needed in arson cases.

### Mackall at San Antonio

Luther E. Mackall, formerly with National Surety but now retired and devoting his time to teaching classes on surety and fidelity bonds, addressed San Antonio Insurance Exchange on performance bonds for contractors. He stressed the importance of an audit of a contractor's books, but indicated that the experience and character of the contractor may be as vital, if not more so, as a statement of assets and liabilities.

Eugene Gorski, who has had experience as a local agent and field man for the Quirk & Co. general agency of San Antonio, has been appointed assistant to Secretary F. F. Ludolph of the San Antonio Exchange.

## EAST

### Mass. Local Board Advisory Council to Meet March 17

The local board advisory council of Massachusetts Assn. of Insurance Agents will meet March 17 at Worcester. This will be the organizational meeting, as the council has been operating with temporary officers since it was authorized at the last annual meeting of the Massachusetts group. A chairman, vice-chairman and secretary-treasurer will be elected, rules of procedure adopted, and objectives will be discussed.

Each delegate is allowed to have his board president or designee sit with the delegate as adviser. Any member of a local board may attend the meeting and participate in discussions.

The council was created to provide individual members a greater opportunity for a voice in association affairs. Temporary officers are Walter S. Attridge, Boston, chairman; M. A. Carlberg, Gardner, vice-chairman, and E. S. Peterson, Brockton, secretary-treasurer.

### Cimino New Britain Chief

Michael Cimino has been elected president of New Britain (Conn.) Assn. of Insurance Agents. Elbridge Jones is vice-president, Daniel Burstein, secretary, and Walter Arendt, treasurer.

### Program for Tri State

The program for the annual convention of the Tri-State Mutual Agents Assn. of Pennsylvania, Maryland and Delaware, which will be held March 17-18 in Philadelphia, has been pretty well completed. H. Clay Johnston, Philadelphia, will give his presidential report; Herman J. Pelstring, president of Pennsylvania Lumberman's, will review 200 years of mutual insurance; E. F. High, Columbus, Ohio, president National Association, will speak; David F. Maxwell, attorney, will discuss negligence and the law; Henry K. Duke, Cumberland, Md., will lead a panel discussion; a representative of Middle department of Assn. of Fire Underwriters will talk, and Dr. Roy C. Gobrecht, humorist, will give a speech.

A. R. Johnson, former member of the Spafford & Johnson agency at Houston, has moved to San Antonio and opened a new agency there.

## MIDDLE WEST

### Neb. Hearing March 6 on New Insurance-Finance Rule

Insurance Director Laughlin of Nebraska will hold a public hearing March 6 on objections and suggestions concerning a proposed rule governing insurance sales by finance factors and dealers.

Under the proposed rule, the agent must notify the prospective insured of his privilege to purchase insurance from any company licensed in Nebraska which provides the required coverage. Furthermore, the agent must furnish insured with a copy of the policy if the insured chooses to purchase insurance from the company represented by the agent. Where collision but not liability coverage is sold, the policy must state that it does not comply with the requirements of the Nebraska motor safety responsibility act. It is stated that many automobile purchasers are mistakenly led to believe that they possess liability coverage when in fact the collision insurance they get does not provide P.D. or B.I. liability.

All objections must be submitted in writing on or before March 1.

### Wis. Town Mutuals Elect

Emil Zillmer, Algoma, was elected president of Wisconsin Assn. of Town Mutual Insurance Companies at the annual meeting at Wausau. Howard Seibert, Black Earth, is vice-president; D. G. Whitmore, Evansville, secretary.

Harry P. Cooper, Jr., Indianapolis, secretary of National Assn. of Mutual Insurance Companies, spoke on "Significance of 200 Years." Martin Raynoha, chief fire examiner, and Paul Degn, both of the Wisconsin insurance department, discussed relations of the mutuals with the department in making acceptable filings, etc. A joint committee made a report on reinsurance facilities for town mutuals.

### Mehl Joins Myers & Sons

G. E. Mehl is now associated with the Detroit independent adjusting firm of John C. Myers & Sons. Mr. Mehl started with Western Adjustment and then in 1931 became assistant manager of Michigan Adjustment Bureau, that being soon after it was formed by the mutual insurance companies. Until he retired in 1947 he was manager of the Detroit office. During the recent illness John C. Myers, Mr. Mehl assisted the office and is continuing with the firm.

### Rhode Heads Ohio Mutuals

Ohio Assn. of Mutual Insurance Companies at its annual meeting at Columbus elected these officers: President, K. G. Rhode, Lightning Rod Mutual Fire, Wooster; vice-presidents, F. R. Farison, Henry County Farmers, Napoleon, and Cade Schulenberg, Minster Mutual, Minster; secretary, C. L. Mitman, Clark County Farmers, Springfield, and national representative, T. K. Perry, Huron County Farmers, North Fairfield.

### Honor Cleveland Ex-Trustees

Framed testimonials were presented to 11 past trustees of Insurance Board of Cleveland at a dinner meeting.

Chief speaker was James F. Van Vechten of Akron, president of National Assn. of Insurance Agents.

State and city officials attended a dinner at St. Paul for Joseph Supornick, public adjuster, on his 70th birthday. Heading the guest list were Gov. Anderson and Mayor Delaney.



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F A M O U S A M E R I C A N H O M E S

# The Horseshoe House

*of Far-Away  
Island*



ACCORDING to an Indian myth, a mighty giant who used Cape Cod for his bed flung his moccasins into the sea because they were full of sand. The one nearest the mainland became Martha's Vineyard and the other Nantucket which in the Indian tongue meant the Far-Away Island.

The first white settlement on Nantucket was formed by a group who in 1659 bought the island from Thomas Mayhew of Martha's Vineyard; his price was thirty pounds and "two Beaver Hatts, one for myself and one for my wife." Leader of the settlers was Tristram Coffin of Salisbury, Massachusetts, whose family became one of the most prominent on the Island.

For a time the island was torn by a feud between Tristram Coffin and John Gardner, but the breach was healed by the marriage of Tristram's grandson Jethro Coffin and John Gardner's daughter Mary. As a wedding present, Mary's father gave land and Jethro's gave lumber for a home. Built in 1636, this house is now Nantucket's oldest and gets its name from the odd-looking chimney ornament, believed by some to be meant for a horseshoe.

One night in Jethro's absence a drunken Indian who had hidden in the attic fell through the loose board floor to a closet beneath. The crash awakened Mary who saw him emerge from the closet and squat on the hearth where he began sharpening his knife. In terror, she seized

her baby and fled in search of help. The Indian was in close pursuit but he plunged headlong down a flight of stairs to the hall below where Mary's rescuers found him lying in a stupor. As Nantucket Indians never made trouble except when under the influence of liquor he was released.

In the 19th century Nantucket became the country's leading whaling center and, though its population never reached 10,000, at one time it was the third richest municipality in Massachusetts. Whaling ships from the Far-Away Island girdled the globe, their hard-won cargoes bringing wealth to most of the island's families.

In the possession of the Coffin family for many years, the Horseshoe House is now owned by the Nantucket Historical Association.



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